

DISPUTE RESOLUTION SERVICE

D00021729

Decision of Independent Expert

SDS Driving School and Gurdip Singh

and

Satinderjit Singh Sandhu

1. The Parties:

Lead Complainant: SDS Driving School
82 Vicarage Road
Smethwick
Birmingham
West Midlands
B67 7AL
United Kingdom

Complainant: Mr Gurdip Singh
SDS DRIVING SCHOOL
82 Vicarage Road, Smethwick,
Birmingham
West Midlands
B67 7AL
United Kingdom

Respondent: Mr Satinderjit Singh Sandhu
204c High Street
Princes End
Tipton
Tipton
DY4 9JB
United Kingdom

2. The Domain Name(s):

sdsdriving.co.uk (“the Domain Name”)

3. Procedural History:

The Complaint was submitted to Nominet on 8 August 2019 and was validated and notified to the Respondent by Nominet on 9 August 2019. The Respondent was informed in the notification that it had 15 working days, that is until 2 September 2019, to file a response to the Complaint.

On 15 August 2019, the Respondent filed a Response. On 19 August 2019 the Complainants filed a Reply to the Response and the case proceeded to the mediation stage on 23 August 2019. On 11 September 2019, Nominet notified the Parties that mediation had been unsuccessful and, pursuant to section 10.5 of Nominet’s Dispute Resolution Service Policy Version 4 (“the Policy”), invited the Complainants to pay the fee for referral of the matter for an expert decision. On 17 September 2019, the Complainant paid the fee for an expert decision. On 24 September 2019, Andrew D S Lothian, the undersigned (“the Expert”), confirmed to Nominet that he was not aware of any reason why he could not act as an independent expert in this case. Nominet duly appointed the Expert with effect from 24 September 2019.

4. Formal and Procedural issues

On 27 September 2019, Nominet informed the Expert that it had received a non-standard submission from the Respondent in line with section 17 of the Policy. The explanatory paragraph accompanying the non-standard submission in terms of section 17.3 of the Policy was substantial and, rather than provide an explanation as to why the submission was necessary, it proceeded to respond to the Complaint and Reply. It was clear to the Expert that such submission was likely to contain material which should probably have been in the original Response. Ordinarily, therefore, the Expert would not have entertained the Respondent’s non-standard submission. However, the Expert finds that in this case there are exceptional circumstances which warrant its acceptance and consideration.

The Expert notes that the Parties do not have legal representation in this proceeding. It appears that they neither paid close attention to the requirements of the Policy regarding the content of their written submissions nor, indeed, to the appropriate stage in the process at which the various submissions should be made. As a general rule, each party is expected to provide their fullest possible case in their initial submissions, namely within the Complaint and Response. The Complainants then have an opportunity, by way of the Reply, to respond to any matters newly raised in the Response and not already raised in the Complaint (see section 9.2 of the Policy).

In this case, however, the Reply did not comply with section 9.2 of the Policy. The Response itself was extremely bare, such that there was little for the Complainants to answer by way of their Reply. Instead, almost all of the Reply was either a repeat or an expansion of the Complaint coupled with some further evidence. Although it was very bare, the Response

suggested that the Respondent might have more to say in that it offered “to help and share further information with you”.

In these circumstances, it would have been open to the Expert simply to accept the Complaint and Response but to refuse to consider the contents of the Reply or the additional evidence which accompanied it. This would have benefitted neither of the Parties. The Respondent would have been left with a very brief Response amounting to not much more than a bare denial of the terms of the Complaint. The Complainants would have been left with a partial case which excluded certain items of evidence that were ultimately produced with the Reply, notably the bank letter and statements, which fleshed out the factual matrix regarding the operation of the partnership among the Parties. Accordingly, the Expert resolved to accept the Reply but to provide the Respondent with an opportunity to submit a fuller Response by way of a further statement which answered both Complaint and Reply. Given that neither of the Parties’ submissions had conformed to the requirements of the Policy, the Expert considered that this would show fairness to them both, allowing them an equal degree of latitude in departing from the procedural strictures, thus ensuring that each had received a fair opportunity to present their case.

Before the Expert could make a suitable request in accordance with section 17.1 of the Policy, notification was received from Nominet that the Respondent had already put forward a non-standard submission. The terms of the explanatory paragraph required in connection with section 17.3 of the Policy indicated to the Expert that the further statement was seeking to answer the terms of both the Complaint and Reply. In all of these circumstances, the Expert decided to allow the Respondent’s further statement to be received and considered as part of the proceeding.

Section 5.9 of the Expert Overview version 3 notes that, normally, an expert will permit an answering submission to a non-standard submission from the other party in the interests of justice. In the present case, without such an answering submission being requested by the Expert, it appears that the Complainants have themselves attempted to file a non-standard submission, in the form of the item on Nominet’s online panel titled “ResponseLetter-29sep19.pdf (13a response email (complainant))” dated 30 September 2019. In the present case, however, the Expert considers that it is not appropriate to request an answering submission from the Complainants. As is indicated by section 5.9 of the Expert Overview version 3, if submission and counter-submission were to be allowed *ad infinitum*, a case would rapidly get weighed down with paper and delays would ensue. The Parties in this proceeding have already received a very full, balanced and fair opportunity to state their case well beyond that which is typical. In order for an expeditious and cost-effective resolution of the dispute, there must always be a point at which written submissions must cease so that the Expert may proceed to a decision.

5. Factual Background

This is a dispute between the partners of a partnership named SDS Driving School (“the partnership”). The partnership was established in 2017 between three partners, Sandeep Tutt, Gurdip Singh and the Respondent, Satinerjit Singh Sandhu. Both the partnership and Gurdip Singh have been listed as Complainants. No precise date has been supplied for the formation of the partnership. It is merely identified as having commenced in “spring 2017” in terms of a letter from the partnership’s accountants, Gordon & Co, of Walsall, dated 7

August 2019 (“the accountants’ letter”). The Parties are however agreed that the partnership began trading in around June 2017.

The Domain Name was registered on 18 May 2017 by the Respondent via the registrar 123-Reg. The Expert presumes that the Domain Name was registered in the Respondent’s sole name and it remains thus on Nominet’s records. 123-Reg is the current registrar of the Domain Name.

On 23 June 2017, a bank account was opened in the name of SDS Driving School with TSB Bank Plc, as confirmed by a letter of that bank dated 13 August 2019 (“the bank letter”). A document headed “Relationship with persons”, which accompanies the bank letter, shows that Gurdip Singh and the Respondent were listed as business controllers on 23 June 2017 and that Sandeep Tutt was listed as a business controller on 24 July 2017.

A range of the partnership’s bank statements have been produced. These show that the sum of £11.99 was paid by the partnership to 123-Reg on both 22 May 2018 and 11 June 2019. The Complainants say that these entries represent payments made in respect of the Domain Name. Other entries in the bank statements show payments being made to “GOOGLE ADS” between 12 February and 23 July 2019 totalling £3,694.36, which the Complainants say are in respect of Internet advertising and directory advertisements.

The accountants’ letter states that the Respondent “ceased involvement with the partnership” with effect from 18 July 2019 and that the remaining partners have continued to trade as a partnership known as “SDS Driving School”. The bank letter shows that the Respondent ceased to be listed as a business controller on 1 August 2019, in terms of an entry in the attached “Relationship with persons” document.

A certificate of incorporation and related documents produced with the Respondent’s non-standard submission shows that a company named SDS Driving School Limited, company number 12126178, was incorporated by the Respondent on 29 July 2019.

6. Parties’ Contentions

Complainants

The Complainants submit that they have rights in a name or mark which is similar to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

The Complainants state that the partnership started trading as SDS Driving School around June 2017, comprised of the three partners noted in the factual background section above, adding that Sandeep Tutt’s and Gurdip Singh’s roles were to train driving instructors, take phone calls, provide work to and recruit new instructors, while the Respondent’s role was to market the business via social networking websites, media and Google advertisements.

The Complainants assert that the Respondent left the partnership on 18 July 2019 “on bad terms” and has started his own driving school named “Sandhu Driving School” in the same local area, using the initials “SDS” to replicate the partnership’s business name. The Complainants submit that the remaining two partners have continued trading as the partnership and have elected to maintain its business name and address. The Complainants

point to payments leaving the partnership bank account in respect of Google Ads subscriptions, adding that other payments from the said account were used to market the Domain Name, pay for the website and other marketing materials.

The Complainants allege that the Respondent transferred certain online content from the partnership's website into his own website for Sandhu Driving School. The Complainants note that the Respondent has incorporated a limited company as noted in the factual background.

The Complainants submit that the Respondent is misusing the partnership's name and taking advantage of the partnership's reputation including reviews of the business, noting that the partnership has reclaimed its Google account.

Respondent

The Respondent requests that the Complaint be denied.

The Respondent states that "SDS Driving School" is related to the Respondent and that the Domain Name is registered to his name and address, adding that he purchased the Domain Name on 18 May 2017 from 123-Reg, quoting an invoice number. The Respondent does not produce the invoice.

The Respondent states that "SDS Driving School" is registered with HMRC and Companies House. The Respondent notes that there are many "SDS Driving Schools" in the United Kingdom which use a similar name with different domain names without issue.

The Respondent concludes that the Complaint is pointless and offers to share further information towards its resolution.

Complainants' Reply to Response

The Complainants note that although they accept that businesses can co-exist with similar names, they are disputing the use of the Domain Name in this particular case.

With regard to the Respondent's statement that he purchased the Domain Name, the Complainants submit that they were trusting the Respondent to do the right thing for the partnership and did not imagine that he would register the Domain Name in his personal name. The Complainants state that all of their existing marketing materials and instructors' cars advertise the Domain Name. They provide photographic examples of the cars.

The Complainants state that the Respondent has started a malicious campaign against the partnership and its existing or prospective customers who will view the Domain Name on the partnership's cars, marketing materials and advertisements. The Complainants add that the Respondent's website shows both the partnership's telephone number and Gurdip Singh's number plate on the image of a car, thus demonstrating the connection with the partnership and the potential for confusion. The Complainants indicate it would be "huge" if they were required to replace the Domain Name on all marketing materials and advertisements after two years of trading.

Respondent's Non-Standard Submission

So far as material, the Respondent's non-standard submission is as follows:-

The Respondent accepts that the partnership started trading around June 2017 with the three partners described in the factual background above. The Respondent notes that various family members of the partners were involved as driving instructors for the partnership, among others. It appears that all driving instructors were to pay a weekly franchise fee to the partnership. The Respondent details a grievance which he has with how the partnership was run. He says that work began to be diverted by one of the partners to his family members only, leaving others to struggle. Such family members were not paying the franchise fee. Some work was being charged out at higher rates than the partnership's rates.

The Respondent explains that he has his own driving school under the name "Sandhu Driving School", two corresponding domain names and a website. The Respondent adds that he could fill his own diary from his own business and that he also assisted the partnership's instructors by providing them with work from his own diary. The Respondent states that meetings were arranged to discuss his concerns with the running of the partnership but that the issues were not resolved. The Respondent indicates that at the end of the final meeting, "they [presumably Gurdip Singh and Sandeep Tutt] decided to quit". The Respondent adds that the non-family-member instructors have stayed with the Respondent. The Respondent alleges that the Complainants have copied contents from his websites to their new domain name, sdsdrivingschools.co.uk, and adds that he has reclaimed an account with Yell.com.

The Respondent disputes that the other partners played a vital role to grow the business, adding that every business runs with the help of social media, its website and Google and that the Respondent spent a lot of hours in its promotion.

The Respondent asserts that Gurdip Singh and Sandeep Tutt have blocked him from the partnership bank account and have shared any funds at credit between them. The Respondent adds that he has recently spent £1,500 on website maintenance and search engine optimisation and that a transfer of the Domain Name would affect his business to a significant extent.

7. Discussions and Findings

General

In terms of section 2.2 of the Policy the onus is on the Complainants to prove to the Expert on the balance of probabilities each of the two elements set out in sections 2.1.1 and 2.1.2 of the Policy, namely that the Complainants have Rights in respect of a name or mark which is identical or similar to the Domain Name; and that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

Complainants' Rights

Section 1 of the Policy provides that 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 requirement to demonstrate Rights under the Policy is not a particularly high threshold test. Rights may be established in a name or mark by way of a trade mark registered in an appropriate territory, or by a demonstration of unregistered so-called 'common law rights'.

In the present case, none of the Parties make any direct submissions on the subject of the Complainants' Rights. However, it may be inferred from the Complaint and Reply that the Complainants are claiming Rights in "SDS Driving School", being the trading name of the partnership. The Complainants do not appear to own any registered trade marks in this term. Accordingly, the Complainants are effectively claiming the existence of an unregistered trade mark corresponding to the name of the partnership.

Section 2.2 of the Experts' Overview Version 3 provides a guide as to what is required for a complainant to prove that it has rights in an unregistered trade mark:

If the right is an unregistered trade mark right, evidence needs to be put before the Expert to demonstrate the existence of the right. This will ordinarily include evidence to show that (a) the Complainant has used the name or mark in question for a not insignificant period and to a not insignificant degree (e.g. by way of sales figures, company accounts etc) and (b) the name or mark in question is recognised by the purchasing trade/public as indicating the goods or services of the Complainant (e.g. by way of advertisements and advertising and promotional expenditure, correspondence/orders/invoices from third parties and third party editorial matter such as press cuttings and search engine results).

In the present case, the materials provided by the Complainants show that the partnership has traded using the name "SDS Driving School" since approximately June 2017, in other words, for a period of just over two years. The bank statements, which only cover the period from February to July 2019, show Internet advertising spend totalling £3,694.36. The Complainants also provide photographs which show driving school cars liveried with the partnership name, the Domain Name and the partnership's telephone number, each with a typical magnetic driving school roof sign which also features the partnership's trading name. There is reference in the Complaint to other marketing materials and directory entries on Yell.com, together with social media activity, although no examples were produced by the Complainants. While limited, the evidence which has been produced demonstrates that reasonable sums are likely to have been spent on marketing and promoting the business, including its trading name.

The specific evidence of marketing spend is further supported by the Parties' submissions. The Parties appear to be agreed that it was the Respondent's role from the outset to market and promote the business online by way of search engine and directory advertising together with social media activities. There is no suggestion in the Parties' submissions that the Respondent did not do so. On the contrary, the Respondent himself indicates that a substantial amount of promotion was undertaken, given that by his own admission he spent a lot of hours engaged in this work. All of such work is likely to have promoted the name of the business to the relevant section of the public.

In all of these circumstances, the Expert is satisfied on the balance of probabilities that the Complainants have used the name in question for a not insignificant period and to a not insignificant degree. In particular, it appears to the Expert that the Complainants have spent reasonably substantial sums, for a small business, in promoting their business online. It is reasonable to infer from the Parties' submissions that the Google advertising spend which

has been specifically demonstrated over the period from February to July 2019 was replicated across a wider period during the time that the Respondent was in control of marketing and promotion for the partnership.

Accordingly, the Expert finds that the Complainants (through the partnership) have rights in the name “SDS Driving School”. This name is similar to the third level of the Domain Name, which simply abbreviates it by removing the descriptive word “school”. The first (.uk) and second (.co) levels of the Domain Name are typically disregarded in the comparison exercise as being required for technical reasons only. Likewise, spaces between the words in the business name are not of significance as such spaces are not permitted in a domain name, again for technical reasons.

The Expert therefore finds that the Complainants have proved on the balance of probabilities that they have Rights in the name “SDS Driving School” and that such name is similar to the Domain Name.

Abusive Registration

Section 1 of the 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. 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;

This general definition is supplemented by section 5.1 of the Policy which provides a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. Section 8.1 of the Policy provides a similar non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration.

The Parties’ submissions on Abusive Registration are somewhat confused and unfocused. However, the Expert has attempted to distil from these the core of the Complainants’ and the Respondent’s respective cases. The essence of the Complainants’ case appears to be that the Respondent registered the Domain Name in his own name when it was, or should have been, partnership property and that he has subsequently used the Domain Name in promoting his own business after he left the partnership. For his part, the Respondent details various grievances concerning the running of the partnership and counters that it was the Complainants who decided to leave the partnership. The Respondent also appears to argue that he has independent rights to the Domain Name because it is the name of his newly incorporated business which has been duly registered with Companies House and HMRC and/or that it represents the name of his “Sandhu Driving School” business.

The Parties are agreed that they were in partnership with one another under the name “SDS Driving School”. While the date on which the partnership was founded is not specifically mentioned, the Parties are agreed that trading commenced in June 2017. The partnership bank account was opened on 23 June 2017. The Domain Name had been registered by the Respondent on 15 May 2017, a little more than a month earlier. Given the proximity in time, it is extremely unlikely that the Domain Name was registered by the Respondent independently of any plans to enter into partnership with the Complainants. Indeed, it is

more likely than not that it was acquired purely for the purposes of the partnership business. The Respondent explains that he has a separate business named “Sandhu Driving School” but this has its own domain names and does not appear to be connected to the partnership or linked to the registration and use of the Domain Name in any way. The Respondent’s limited company was only incorporated in July 2019 after he left the partnership and some two years after the latter was founded. It cannot therefore be considered to be of any relevance to matters relating to the partnership name or the Domain Name.

There is no evidence that the partners agreed that the Domain Name should have been registered in the Respondent’s sole name. The Complainants appear to argue that this constitutes Abusive Registration in terms of the Policy. The Expert does not agree in the absence of any evidence that the Parties had already entered into partnership at the date of registration. If the partnership had yet to be founded, it would have been perfectly reasonable for the Respondent to register the Domain Name in his own name temporarily in order to secure it. Furthermore, it is fairly common in the Expert’s experience for parties to give little attention to the appropriate legal entity in which to register a domain name at the point of registration and this, on its own, cannot be taken as evidence of any abusive intent on the part of the Respondent.

Turning to the use of the Domain Name, the Parties appear to be agreed that the Domain Name was used to promote the partnership from when this was founded until approximately July 2019. The Complainants state that after the Respondent left the partnership, on 18 July 2019, he retained control of the Domain Name and pointed it to a website for his own driving school independent of the partnership. Unhelpfully, the Complainants supplied no screenshots of this site, leaving it unclear whether the Respondent was using the Domain Name for “Sandhu Driving School”, for SDS Driving School Limited which he incorporated on 29 July 2019 or for some other business. In any event, the Parties were agreed that the Domain Name was still in use for a website controlled by the Respondent which promoted a driving school.

It was clear to the Expert that the present use of the website associated with the Domain Name could be determined by a brief visit. The website concerned is in the public domain. Its content appeared to the Expert to be at the root of the issue between the Parties. Furthermore, such content is discussed in some detail in the Parties’ submissions. In all of these circumstances, the Expert determined that it was reasonable to view the site in accordance with section 18.1 of the Policy, which states that an Expert may (in their entire discretion) check any material which is generally available in the public domain.

A visit to the site on 2 October 2019 confirmed that it was being used for a business of unknown legal status named “SDS Driving School” with a telephone number which differed from that of the partnership’s original telephone number (as discussed in the Complaint and as seen on the livery of the cars demonstrated by the photographs produced with the Reply). The gallery section of the website featured cars with what appeared to be the partnership’s original livery including the original telephone number, as indicated in the Reply. No mention was made on the pages viewed by the Expert of either “Sandhu Driving School” or of the limited company incorporated by the Respondent. Based upon this visit and the Parties’ submissions, the Expert is satisfied that the Domain Name is being used to promote a business named “SDS Driving School” with different contact details from those of the partnership, yet using some content in the gallery section which appears to relate to the

partnership's business. It is uncertain whether this business has any connection to the Respondent's limited company.

The Respondent's case is that the Complainants themselves decided to leave the partnership following a meeting of the partners. In effect, what the Respondent appears to be suggesting is that he, and not the Complainants, has continued to trade as the partnership (or more correctly as a sole trader, being the sole remaining partner in the business). The evidence before the Expert does not bear this out. The accountant's letter is clear as to the date on which the Respondent left the partnership. This is further supported by the bank letter which shows the Respondent ceasing to be a business controller for the partnership's bank account some two weeks later. It is notable that the accuracy of neither of these documents has been disputed by the Respondent. The Respondent merely notes that he was blocked from the bank account by the actions of his former partners and that he is not happy with how the funds at credit have been divided. Furthermore, had the Respondent continued to trade in terms of the original partnership as he alleges, he would presumably have continued to use the original contact telephone number on the associated website.

In these circumstances, the Expert considers that it is more probable than not that, having left the partnership on 18 July 2019, the Respondent has used the Domain Name to promote an alternative driving school named "SDS Driving School" in competition to that of the Complainants who have continued the original partnership. This is damaging to the goodwill built up by all of the Parties within the partnership during its two years of trading. Such goodwill continues to vest in the partnership and does not accompany any of the individual partners when they leave, unless by agreement between the Parties. There is no evidence that the Parties agreed to the Respondent's subsequent use of the Domain Name. Insofar as the Domain Name may be being used unfairly to interfere with such goodwill, the Expert considers that the Policy is properly engaged in this case, even if there may also be a wider dispute between the Parties about the running of the partnership.

It is possible that the Complainants are attempting to make out a case of Abusive Registration in terms of section 5.1.5 of the Policy, namely that the Domain Name has been registered as a result of a relationship between the Parties, that the Complainants have been using the Domain Name exclusively and that they paid for the registration or renewal of the Domain Name. The existence of the partnership amply covers the requirement for a relationship between the Parties. There does not appear to be any dispute that the partnership was the exclusive user of the Domain Name while the Respondent was a partner. However, the available evidence on the aspect of payment for the Domain Name is somewhat unsatisfactory. Using the partnership's bank statements, the Complainants can point to two payments which the partnership made to the registrar of the Domain Name. The timing of these is broadly consistent with the point at which the Domain Name might have required to be renewed. However, the Complainants are unable to provide any evidence that the Domain Name was the subject of the payments concerned, possibly because they do not control the account with the registrar, which is presumably operated by the Respondent. Furthermore, there is no evidence before the Expert as to who paid for the registration of the Domain Name and whether, if it was the Respondent, he sought reimbursement therefor from the partnership.

While the outcome of any case in terms of section 5.1.5 of the Policy is somewhat inconclusive, the Expert nevertheless regards the Respondent's present use of the Domain Name as constituting an Abusive Registration on the basis of the general definition under the Policy. The Domain Name is evidently being used in a manner which has taken unfair

advantage of and has been unfairly detrimental to the Complainants' Rights following upon the Respondent's departure from the partnership. It is likely to cause unfair disruption to the business of the partnership (see section 3.2 of the Experts' Overview version 3 on this topic). Furthermore, as presently used, it 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 continuing partnership in terms of section 5.1.2 of the Policy.

The Expert understands that the Respondent has grievances regarding how the partnership was run or accounted for, including the distribution of any funds in the partnership accounts or the allocation of the partnership's liabilities. This proceeding does not and cannot determine that wider dispute between the Parties. All such matters are beyond the scope of the Policy. If necessary, the Parties would need to litigate upon these in court. The Parties may wish to consider seeking legal advice concerning their rights and remedies.

Nevertheless, the Respondent's grievances do not entitle him to act in a manner which is unfairly detrimental to the interests of the partnership as a whole by removing the Domain Name from its original use and deploying it in competition with the partnership's ongoing business. Equally, using the Domain Name as a bargaining tool in his dispute with the partnership, if that is what the Respondent is doing, is likewise abusive and a proceeding under the Policy is not the appropriate remedy for his grievances, which he will need to seek in another forum.

8. Decision

The Expert finds that the Complainants have proved that they have Rights in a name or mark which is similar to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration. The Expert therefore directs that the Domain Name be transferred to the Complainants.

Signed
Andrew D S Lothian

Dated 04 October, 2019