

## DISPUTE RESOLUTION SERVICE

DRS 06751

### Decision of Independent Expert

New Claims Direct Limited (t/a Claims Direct)

and

Faisal Ahmed Chowdhury

#### 1. The Parties

Complainant: New Claims Direct Limited (t/a Claims Direct)  
Address: 80-86 Grays Inn Road, London WC1X 8NH

Respondent: Faisal Ahmed Chowdhury  
Address: 80 Malvern Road, Hackney, London E8 3LJ

#### 2. The Domain Name

<autoclaimsdirect.co.uk>

#### 3. Procedural History

- 3.1 This Complaint falls to be determined under the Nominet UK Dispute Resolution Service Procedure (“the Procedure”) and the Nominet UK Dispute Resolution Service Policy (“the Policy”).
- 3.2 The Complaint was filed on 26 May 2009 and validated on the same day. The Response was filed on 16 June 2009 and the Reply on 22 June 2009. Mediation not being successful, the matter was referred to me for an Expert Decision on 29 July 2009. On the same day I confirmed that I was independent of the parties and that I was not aware of any facts or circumstances that were likely to call my independence or impartiality into question.

#### 4. Factual Background

- 4.1 The Complainant is a limited company, owned by Russell, Jones & Walker, solicitors. It operates a claims management business whereby it invites personal injury claimants to contact it, considers the validity of their claims and, where appropriate, refers them to Russell, Jones & Walker or another panel solicitor. Its business includes claims arising out of automobile accidents.
- 4.2 The Complainant is the proprietor of a number of UK and Community registered trade marks for the sign CLAIMS DIRECT. The majority of these marks are both word and device marks which include the Complainant's distinctive logo. However, UK registered trade mark number 2249430 is word only mark, registered on 26 April 2002 in Classes 36 (insurance and financial services) and 42 (legal services).
- 4.3 The Complainant states (and the Respondent does not dispute) that it has held the domain name <claimsdirect.co.uk> since 1997 and is the owner of other domain names incorporating the term 'claimsdirect'. Its principal website is at [www.claimsdirect.co.uk](http://www.claimsdirect.co.uk), which it states is one of the UK's 500 most visited websites. It has traded in the UK for 12 years and has an annual promotional spend of £4-4.5m including TV advertising.
- 4.4 The Respondent registered the Domain Name on 24 April 2008.
- 4.5 The Respondent is the proprietor of a limited company named Auto Claims Direct Limited, which is registered with the Ministry of Justice for claims management services.
- 4.6 The Respondent originally used the Domain Name to resolve to a website at [www.autoclaimsdirect.co.uk](http://www.autoclaimsdirect.co.uk) offering personal injury claims management services. The name 'Auto Claims Direct' was displayed on the home page with the first two words in white text and the third word in italicised red text.
- 4.7 The Complainant's solicitors were in correspondence with the Respondent and his solicitors in September and October 2008. Without admission of liability and for the stated purpose of avoiding a lengthy and expensive dispute, the Respondent offered to change his company name and to cancel the Domain Name. Further correspondence, including the possibility of a transfer of the Domain Name, was unresolved as issues included the Complainant's demands for damages and legal costs remained outstanding. On or about 23 September 2008, however, the Respondent provided a signed undertaking drafted by the Complainant's solicitors (*inter alia*): "to desist forthwith from using the name 'Auto Claims Direct' or any other mark confusingly similar to 'Claims Direct'."
- 4.8 The Respondent subsequently relaunched his website in the form of a protest site against the Complainant's actions, including the content of the Response in this case and a letter from the Respondent to the Office of Fair Trading.

## 5. Parties' Contentions

## **The Complaint**

- 5.1 The Complainant asserts that it has Rights for the purposes of the Policy and relies in this regard on the registered trade marks referred to above and unregistered rights arising from its business reputation within the UK.
- 5.2 The Complainant relies on paragraph 3(a)(ii) of the Policy and contends that the Respondent has used the Domain Name as an Abusive Registration: “by confusing, actual or likely, ‘people or businesses that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant’ [sic].”
- 5.3 The Complainant contends that the word ‘auto’ before ‘claims direct’ does little if anything to distinguish the Domain Name from the Complainant’s mark and potentially signifies a sector of the Complainant’s business that specifically manages automobile accidents. The Complainant relies on any such association as evidence of confusion. The Complainant further contends that the registration of the Domain Name is intended to trade on the rights and goodwill enjoyed by the Complainant.
- 5.4 The Complainant seeks a transfer of the Domain Name.

## **The Response**

- 5.5 The Respondent’s contentions are contained both in the body of the Response and in a letter from him to the Office of Fair trading that he exhibits to the Response.
- 5.6 The Respondent denies having acted abusively. He states that when he established the company Auto Claims Direct Ltd he “knew it may have been similar to several other company names, but it is not exactly their names.” He states that we was not specifically aware of the Complainant until after receiving its threats of legal action.
- 5.7 The Respondent denies that the Domain Name infringes the Complainant’s trade marks. He questions the basis on which “two words taken from the dictionary,” i.e. ‘claims’ and ‘direct’ can enjoy trade mark rights and that “there is no other way to put these two words together” to describe the services being offered. He asserts (on the basis of research) that the Complainant is improperly asserting a monopoly over the term ‘claims direct’ and will object to any use of these two words, even with another word attached. He refers specifically to ‘Accident Claims Direct’, ‘Injury Claims Direct’ and ‘Motor Claims Direct’ and asserts that the Complainant will deem any such name to be an infringement of its trade mark and will then claim to be the rightful owner of such names.
- 5.8 The Respondent states that he has cooperated with the majority of the Complainant’s demands and finds its present conduct heavy handed and intimidatory. He contends that the Complainant does not have an

automatic right to the Domain Name and that it could have acquired the Domain Name prior to his own registration had it wished to do so. He adds: "If they need it they can buy it (I welcome offers above £20k) and not frame to extortion to obtain somebody else's property [sic]."

- 5.9 The Respondent states that he is not currently using the Domain Name for business purposes.

### **The Reply**

- 5.10 The Complainant states that the Respondent's website was only relaunched after the present dispute had been notified to him, that the reference to offers above £20,000 demonstrates the Respondent's true motivation in the matter and that there is no defence to the Complainant's claim.

## **6. Discussions and Findings**

### **Rights**

- 6.1 Under paragraph 2 of the Policy:

*"(a) A Respondent must submit to proceedings under the Dispute Resolution Service if a Complainant asserts to [Nominet], according to the Procedure, that:*

- (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.*

*(b) The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities."*

- 6.2 Under paragraph 1 of the Policy the term "Rights":

*"includes, but is not limited to, rights enforceable under English law..."*

- 6.3 In this case I am satisfied that the Complainant has Rights in the name or mark CLAIMS DIRECT by virtue of both registered and unregistered trade mark rights. However, the Complainant has chosen as its mark a combination of two generic (or 'dictionary') words in common usage, both of which are descriptive in character. The component 'claims' is descriptive of the business of the Complainant (and indeed countless others) and the component 'direct' is also descriptive, particularly in connection with online services. While I accept that the mark CLAIMS DIRECT has gained a degree of secondary distinctiveness owing to its use by the Complainant in the UK

over the past 12 years, I find that the Complainant's Rights are relatively weak in nature.

- 6.4 I am also satisfied, for the purposes of the Policy, that the Complainant's mark CLAIMS DIRECT is similar to the Domain Name, <autoclaimsdirect.co.uk>. Once again, though, I regard the Complainant's case on this issue as weak, since it is trite law that the more generic or descriptive a name or mark may be, the less that is necessary in order to distinguish that of a competitor. In the case of generic names the law also tolerates a degree of risk of confusion, even where some level of secondary distinctiveness has been obtained, in order to prevent the monopolisation of words in common usage.
- 6.5 Despite the reservations I have expressed, however, the first limb of the test under paragraph 2 of the Policy is established.

### **Abusive Registration**

- 6.6 Under paragraph 1 of the Policy, the term "Abusive Registration" means a domain name which either:
- "i. was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; OR*
  - ii. has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights."*
- 6.7 Paragraph 3 of the Policy sets out a non-exhaustive list of factors that may be evidence that a domain name is an Abusive Registration. Paragraph 4 sets out a non-exhaustive list of factors that may be evidence that it is not. However, all these factors are merely indicative of, and subject to, the overriding test of an Abusive Registration as set out above.
- 6.8 Two of the provisions contemplated by paragraph 3 are potentially relevant in this case. Sub-paragraph 3(a)(i)(A) refers to:

*"Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily... for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name."*

Sub-paragraph 3(a)(ii) refers to:

*"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.”*

- 6.9 It should be noted that the approach of these provisions differs in two important ways. First, under the former provision, the respondent's purpose in registering the domain name is relevant, which may require inferences to be drawn as to his intentions and state of mind. Under the latter provision, however, there is an objective enquiry only into whether confusion has been or is likely to be caused. Secondly, under the former provision, it is the date of registration or acquisition of the domain name that is relevant, whereas under the latter the provision the issue is the respondent's current or threatened future use of the name.
- 6.10 I will dispose quickly of any claim under sub-paragraph 3(a)(i)(A). This claim appears for the first time in the Reply, in response to the Respondent's statement that appears in the Response as set out in paragraph 5.8 above. There is no earlier such proposal on the part of the Respondent and there is no reference to any payment for the Domain Name in the correspondence between the Complainant's solicitors and the Respondent and his solicitors in September and October 2008. In my view, based on the evidence in the case, the Respondent's suggestion in the Reply reflects his frustration (whether justified or not) at the position taken by the Complainant in relation to the Domain Name and did not represent his 'primary purpose' in registering the Domain Name.
- 6.11 This leaves the issue of confusion under sub-paragraph 3(a)(ii) of the Policy. Here the Complainant takes the position that the Respondent's inclusion of the component 'auto' in the Domain Name does not distinguish it from the Complainant's mark but, on the contrary, would be understood as referring to the auto division of the Complainant's business. Indeed, the Complainant suggests that confusion must so inevitably follow from this that the Respondent has no defence to the claim.
- 6.12 While the mark CLAIMS DIRECT and the Domain Name, <autoclaimsdirect.co.uk> are certainly superficially similar, it does not follow that confusion will automatically result from the Respondent's use of the Domain Name. Confusion is an issue of fact and does not exist in the abstract. In order to assess the likelihood of confusion, since the Complainant has provided no evidence of actual confusion, it is necessary to look at the factual scenarios in which any such confusion may occur.
- 6.13 The first issue to consider is that of 'initial interest confusion'. This is a frequent finding in cases where a respondent is using a complainant's trade mark alone and in an 'unadorned' form (with only a formal suffix such as '.co.uk'). In such cases, likely confusion is commonly found to exist because an internet user will type the relevant URL in the expectation of finding the complainant's own website and, regardless of what actually appears on the website in question, the user is only there in the first place because the respondent is unfairly taking advantage of the complainant's goodwill.

- 6.14 This, however, is not such a case. I can see no reason why an internet user who wanted to access the Complainant's 'Claims Direct' website would type "autoclaimsdirect.co.uk", even if the claim related to an automobile accident, and I do not find, therefore, that there is any reasonable likelihood of 'initial interest confusion' in this case.
- 6.15 This leaves the question of whether an internet user who actually arrives at the Respondent's website is, or was, likely to be confused into believing that it was in fact registered to, or owned or operated by, the Complainant.
- 6.16 Looking at the current version of the website, as revised, there is no reasonable likelihood of any such confusion, as it is abundantly clear that the Respondent has recently been using it as a protest site against the Complainant's activities. (I should mention in passing, however, that this cannot be relied on as evidence that the registration is *not* abusive as the change was made after the dispute was notified to the Respondent (see paragraph 4(a)(i) of the Policy). The recent use is therefore a neutral point.)
- 6.17 So far as the original use is concerned, there is a potential difficulty for the Complainant in that, as observed above, paragraph 3(a)(ii) of the Policy only considers present or future use. If, in fact, the website was only changed after the date of the Complaint (which is not clear) then no issue arises. But even if the change was made earlier, past use is not wholly irrelevant, for two reasons. First, the apparent restriction in sub-paragraph 3(a)(ii) is subject to the wider definition of 'Abusive Registration' (see paragraph 6.6 above) which includes past use that took unfair advantage of, or was unfairly detrimental to, the Complainant's rights. Secondly, the past use may in some cases be indicative of what a respondent is liable do in the future.
- 6.18 However, even accepting that the original use of the Domain Name is relevant, I reject the Complainant's assertion that there is no defence to this claim. There is no allegation that the Respondent's original website made an express claim of a connection with the Complainant or that it used, for example, a logo or get-up similar to the Complainant's. The Complainant's case, therefore, is that the Respondent's use of the Domain Name alone, for a similar category of business to that of the Complainant, is sufficient in itself to establish a likelihood of confusion as to the origin of the website in question.
- 6.19 As observed above, I consider the Complainant's case on both Rights and similarity to be relatively weak. Although there is similarity, the Domain Name is not identical to the Complainant's mark. Where a party chooses a name comprised of generic or descriptive terms, small differences are sufficient to distinguish other names: as Lord Simonds observed in *Office Cleaning Services Ltd –v- Westminster Office Cleaning Association* [1946] 1 All ER 320 (a case which concerned passing off):

*“ the Courts will not readily assume that the use by a trader as part of his trade name of descriptive words already used by another*

*trader as part of his trade name is likely to cause confusion and will easily accept small differences as adequate to avoid it...*

- 6.20 Furthermore, a party who selects a generic or descriptive name inevitably accepts some risk of confusion, even if the name has gained a degree of secondary distinctiveness. As Lord Simonds further observed:

*" [W]here a trader adopts words in common use for his trade name, some risk of confusion is inevitable. But that risk must be run unless the first user is allowed unfairly to monopolise the words. The Court will accept comparatively small differences as sufficient to avert confusion. A greater degree of discrimination may fairly be expected from the public where a trade name consists wholly or in part of words descriptive of the articles to be sold or the services to be rendered."*

- 6.21 In this particular service sector, a variety of generic terms, including the components of the Domain Name, are used in various combinations by a number of service providers and in my view the internet-using public is sufficiently sophisticated to be aware of this and to take it into account in determining the identity of a particular supplier. While the Complainant argues that the component 'auto' merely qualifies the term 'claims direct', it would be equally legitimate to argue that the component 'direct' qualifies the term 'auto claims'; and indeed, the manner in which the Respondent's text was actually displayed gives support to this view.
- 6.22 In the light of the above matters, I do not consider on balance that the Complainant has discharged the burden of establishing a likelihood of confusion for the purposes of paragraph 3(ii) of the Policy. Furthermore, even if some level of risk of confusion did exist, I would not consider this to take unfair advantage of or be unfairly detrimental to the Complainant's Rights in this case.
- 6.23 The Complainant refers to the correspondence between its solicitors and the Respondent and his solicitors in September and October 2008 and, in particular, the form of undertaking signed by the Respondent. However, disputes referred to the Nominet Dispute Resolution Service ("DRS") are determined solely under the terms of the Policy. The DRS is not a court of law and has no jurisdiction to determine, for example, a breach of contract claim *per se*. The signing of the undertaking by the Respondent, expressly without admission of liability and in the interests of avoiding a lengthy and expensive dispute, neither affects my analysis of paragraph 3(ii) of the Policy or is otherwise suggestive of another ground of Abusive Registration. Should the Complainant wish to pursue the undertaking on, for example, contractual grounds (about which I express no view) it will need to do so separately and outside of the DRS.
- 6.24 In the circumstances, as a likelihood of confusion has not been demonstrated and there is no other viable basis for an Abusive Registration to be established under the Policy, this is determinative of the Complaint.



## **7. Decision**

- 7.1 The Complainant has established on the balance of probabilities that it has Rights in respect of a name or mark which is similar to the Domain Name. However, it has failed to established that the Domain Name in the hands of the Respondent is an Abusive Registration. The Complaint is therefore dismissed and I direct that no action be taken with regard to the Domain Name.

**Signed: Steve Maier**

**Dated: 13 August 2009**