

## DISPUTE RESOLUTION SERVICE

*D00012362*

### Decision of Independent Expert

**David Fox t/a Business Digest**

and

**Garth Piesse**

### **The Parties**

Complainant: David Fox t/a Business Digest  
10 Rodney Close  
Birmingham  
West Midlands  
B16 8DP  
United Kingdom

Respondent: Mr Garth Piesse  
PO Box 181  
Palmerston North  
Manawatu  
4440  
New Zealand

### **The Domain Name**

businessdigest.co.uk ("the Domain Name")

## **Procedural History**

1. The following is a brief procedural history, -

20 January 2013 - Complaint received.  
23 January 2013 - Notification of Complaint sent to the parties.  
08 February 2013 - Response received, Notification of  
Response sent to the parties.  
13 February 2013 - Reply reminder sent.  
18 February 2013 - No Reply received, mediator appointed  
22 February 2013 - Mediation failed.  
11 March 2013 - Expert decision payment received.

The undersigned Stephen Bate was appointed on 12 March 2013 and confirmed to Nominet that he knew of no facts or circumstances that might call into question his independence in the eyes of the parties.

## **Factual Background**

2. The Complainant was a director of a company, Business Direct Limited ("BDL"), registered under the laws of England and Wales, which was dissolved on 15 January 2011. The Complainant first registered the Domain Name in October 2006. BDL was the proprietor of UK trade mark number 2454109 BUSINESS DIGEST registered on 4 May 2007. The Respondent is resident in New Zealand. He deals in domain names. He registered the Domain Name on 15 February 2011, and at the date of the Complaint it was being advertised for sale on the website DomainNameSales.com.

## **Parties' Contentions**

### The Complaint

3. The Complainant says that he first registered the Domain Name in October 2006. In October 2010 he changed domain name registrar and subsequently lost the passwords and as a result could not transfer the

Domain Name from the company which was hosting it. On the 15th February 2011 the Respondent registered the Domain Name. He is listed in Nominet's register as a Non-UK Individual. The Complainant has never had any contact with him or his website prior to this Complaint. The name "Business Digest" has been a UK registered trademark since 4 May 2007, no: 2454109. The mark is registered in respect of, -

Class 16:

Magazines (printed publications).

Class 41:

E-zine (electronic magazines).

4. The Domain Name is an Abusive Registration because, -
  - 4.1 The Respondent registered it in bad-faith, it being confusingly similar to the registered trade mark 'Business Digest'.
  - 4.2 The url now points to a New Zealand owned website (<http://www.domain-for-sale.co.uk>) where the Domain Name is being offered for sale for between US\$20,000 and US\$50,000 to take advantage of Business Digest's extraordinary popularity.
  - 4.3 The Respondent has no rights or legitimate interest in the Domain Name.
  - 4.4 If cyber-squatting is the practice of registering a domain name that a person is likely to want to obtain at some point in the future with the sole intention of selling it to 'said company', then the Respondent is cyber-squatting.
  - 4.5 Business Digest cannot find a suitable equivalent url and has suffered lost revenue as a result.

## The Response

5. The Complainant has no Rights in the Domain Name. The trade mark he relies on is not owned by him. He deliberately gave the impression in the Complaint that it was, whereas in truth it was owned by BDL, of which he was the sole director. BDL was dissolved on 15 January 2011, another fact which the Complainant failed to mention.
  
6. The Complaint has not established a case based on unregistered Rights. The words 'Business Digest' are inherently descriptive and the evidence goes nowhere near establishing the necessary distinctiveness or reputation to establish unregistered Rights in that name. Moreover, the company was engaged in no business that could or should be protected under the DRS Policy. It was engaged in the supply of fraudulent qualification certificates for GCSE and other regulated qualifications and the Complainant was convicted of fraud and of various offences under the legislation relating to intellectual property for which he was sentenced to a term of imprisonment of 3 years which commenced in October 2010. There was no business carried on by the Complainant as 'Business Digest' at the date of the Complaint.
  
7. The registration is not abusive, because -
  - 7.1 The Complainant has failed to get to first base because he has not established that the Respondent knew or had him or his brand in mind when registering the Domain Name or commencing the relevant use: see *verbatim.co.uk* (DRS 4331).
  
  - 7.2 The Respondent, located in New Zealand, was not aware of the Complainant or BDL at the time of registration of the Domain Name, nor was there any reason why the Respondent should have heard of them. The Complainant has not suggested any such reason. On the contrary, by the date of registration, the

Complainant was apparently in prison and the company had been dissolved. So, it is not surprising that, as is the case, the Complainant only came to the Respondent's attention when the Complainant asserted this claim.

- 7.3 In any event, knowledge is irrelevant for present purposes, as the Domain Name makes use of two ordinary descriptive words from the English language combined together, in which the Complaint has established no secondary meaning: see *oasis.co.uk* (DRS 6365).
- 7.4 The Respondent has been in the business of buying, selling and monetising generic domain names since 2007. As the DRS Policy makes clear (paragraph 4.d.), there is nothing unlawful about that. In particular, there is nothing improper where the registrant has acquired a domain name for the purpose of selling it to the world at large, rather than the Complainant: see *parmaham.co.uk* (DRS 359).
- 7.5 In this case, the Respondent bought the Domain Name with a view to making money out of it, because it looked like a good investment. He owns many domain names incorporating the word 'business' and thought that this one might sell well. He became aware of it as it was on the list of domain names which were about to 'drop' and assumed that the previous owner no longer wanted it. He bought the name and placed it on an automated parking page with a view to selling it. The inquiry notice on the parking page set up by the Respondent links to a third party site [DomainNameSales.com](http://DomainNameSales.com) (not the url address given by the Complainant), which offers many generic domain names for sale.
- 7.6 The Respondent was not aware that the website made mention of the figures of US\$20,000 or US\$50,000. The exhibits to the

Complaint do not bear this out. In any event, in a case such as this the Respondent can legitimately demand whatever price he wishes: see *ghd.co.uk* (DRS 3078).

8. The Respondent requests a finding that the Complaint is an attempt at (reverse) domain name hijacking. As explained above, the Complainant has sought to deceive the Expert by invoking a trade mark which he did not own, attempting to conceal the fact by producing a selective trade mark print-out and also by providing a company registration certificate but without revealing that the company had been dissolved. The Respondent has been put to expense and inconvenience in having to defend a case that should never have been brought.

#### The Reply

9. As indicated in the Procedural History under paragraph 1 above, no Reply was served.

#### **Discussion and Findings**

10. The Complainant is required under subparagraphs 2a. and 2b. of the Dispute Resolution Policy (“the Policy”) to prove to the Expert on the balance of probabilities that: -
  - 10.1 he has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
  - 10.2 the Domain Name, in the hands of the Respondent, is an Abusive Registration.
11. The Expert refers to the matters set out in paragraph 3 above and adopts them as findings of fact.

## Rights

12. By paragraph 1 of the DRS Procedure (“the Procedure”), -

*‘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 Expert finds that a UK trade mark no: 2454109 in the words ‘Business Digest’ was registered in the name of BDL on 4 May 2007. However, the company was dissolved on 15 January 2011, as established by the extracts from the Register of Companies.

13. There is no evidence that the trade mark was assigned or even licensed to the Complainant. Further, this is not a case where it would be appropriate to infer the existence of a licence either before or after dissolution of the company. The Complainant has not established that the trade mark confers Rights on him.
14. It is not clear that the Complainant was intending to advance an alternative case based on unregistered Rights. However, the evidence goes nowhere near establishing that he has the necessary reputation or goodwill in the words ‘Business Digest’. There is no sufficient evidence that he, the Complainant, is trading as ‘Business Digest’ and he has failed to establish that he was the proprietor of any kind of business in existence at the date of registration of the Domain Name by the Respondent or at the date of the Complaint.
15. The Complainant's mere assertion in the Complaint of the existence of a valuable business is insufficient and he has failed to grapple in a Reply with the Respondent's points on the lack of any such business.
16. Therefore, the Expert finds that the Complainant has failed to establish Rights and the claim fails on this ground. Although it may not be strictly

necessary, the Expert considers it appropriate also to address the issue of Abusive Registration.

### Abusive Registration

17. By paragraph 1 of the Policy, -

***‘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 has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights.’*

By paragraph 3 of the Policy, -

#### **‘3. Evidence of Abusive Registration**

*a. A non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration is as follows:*

*i. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:*

*A. 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;*

*B. as a blocking registration against a name or mark in which the Complainant has Rights; or*

*C. for the purpose of unfairly disrupting the business of the Complainant;*

*ii. 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;*



- iii. ....;
  - iv. *It is independently verified that the Respondent has given false contact details to us; or*
  - v. ....
- b. *Failure on the Respondent's part to use the Domain Name for the purposes of email or a web site is not in itself evidence that the Domain Name is an Abusive Registration.*
- c. ....'

By paragraph 4 of the Policy, -

***'4. How the Respondent may demonstrate in its response that the Domain Name is not an Abusive Registration***

- a. *A non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration is as follows:*
- i. *Before being aware of the Complainant's cause for complaint (not necessarily the 'complaint' under the DRS), the Respondent has:*
    - A. *used or made demonstrable preparations to use the Domain Name or a domain name which is similar to the Domain Name in connection with a genuine offering of goods or services;*
    - B. *been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name;*
    - C. *made legitimate non-commercial or fair use of the Domain Name; or*
  - ii. *The Domain Name is generic or descriptive and the Respondent is making fair use of it;*
  - iii. ....; or
  - iv. *In relation to paragraphs 3(a)(iii) and/or 3(c); that the Domain Name is not part of a wider pattern or series of registrations because the Domain Name is of a significantly different type or character to the other domain names registered by the Respondent.*
- b. *Fair use may include sites operated solely in tribute to or in criticism of a person or business.*

c. ....

*d. Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves lawful activities. The Expert will review each case on its merits.*

e. ....’

18. In a case such as the present, the Complainant is required to establish that the Respondent knew of the Complainant or his brand or had one or other in mind at the time when he registered the Domain Name or commenced the use to which objection is taken: see *verbatim.co.uk* (DRS 4331).
19. The Complainant did not assert that the Respondent had in mind either the Complainant or what he asserted to be the commercial undertaking ‘Business Digest’ at the material times. I find that the Respondent, who is located in New Zealand, was not aware of the Complainant or BDL at the time of registration of the Domain Name or at any time before he was served with the Complaint. I accept the Respondent’s case on this point.
20. I also accept the Respondent’s explanation as to the circumstances in which and the reasons why he registered the Domain Name. He saw a commercial opportunity in what were descriptive words (unconnected to any business of the Complainant) that were available for purchase. The Policy, paragraph 4.d., makes clear that the dealing in domain names is a lawful activity and there is nothing in the merits of this case to lead the Expert to conclude that the purchase of the Domain Name with a view to its offering for sale to the public at large at a profit was anything other than a proper use of it. The point is underlined in the passages from the DRS cases to which the Respondent has referred in the Response.

21. In the event, the Respondent has offered the Domain Name for general sale. This is not a case, as envisaged by paragraph 3.a.i.A. of the Policy, where the registrant has targeted the Complainant with a view to selling the domain name to him or to a competitor at a profit.
22. In the light of these findings, I now turn to the specific points advanced by the Complainant.
23. I do not accept that the Respondent registered the Domain Name in bad-faith. He did not have the Respondent in mind at all at the time of registration. There is no evidence that anyone will be or has been confused into believing that the Domain Name refers to a business owned or operated by the Complainant, for the reasons already given: see paragraph 3.a.ii. of the Policy.
24. The fact that the Domain Name is being offered for sale does not establish a case of abuse, for the reasons given. I am not satisfied on the evidence that the Domain Name is being offered for sale for prices up to US\$50,000, but, even if that were the case, the amount of the sale price is irrelevant in a case such as this.
25. The Complainant says that the Respondent has no rights or legitimate interest in the Domain Name, but the DRS Policy does not require the Respondent to demonstrate such rights or interest. It is for the Complainant to show that he has Rights that should trump (on the grounds of Abusive Registration) the contractual rights to the registration acquired by the registrant. The system of registration is one of 'first come first served' subject to the principles of Abusive Registration.
26. The Complainant's case on cybersquatting is based on a misunderstanding. For the reasons given above, there is nothing inherently unlawful to register a domain name with a view to profit. What makes it objectionable is to do it with the Complainant or his

business in mind and then only if the use is abusive. Further, it is not the case, in view of the facts as the Expert has found them to be, that the Respondent registered the Domain Name with a view to selling it to the Complainant or as he put it to 'said company'.

27. I now turn to consider the question whether the Complainant has shown bad faith in making the Complaint, for the purposes of Reverse Domain Name Hijacking. The latter term is defined in paragraph 1 of the Procedure as, -

*'Using the DRS in bad faith in an attempt to deprive a Respondent of a Domain Name.'*

A finding of bad faith has the consequences set out in paragraph 16.d. (third sentence) of the Procedure and is a matter which the Expert is required to consider under paragraph 16.d.. I do not accept that the Complainant deliberately set out to make a claim that he knew was ill founded with a view to depriving the Respondent of the Domain Name.

28. I am not satisfied that the case was advanced in a manner that was deliberately misleading. It has not been shown that the Complainant must have known that BDL had been dissolved. He was in prison at the time. Further, despite the criticism made of one exhibit, the certificate of registration of the trade mark did refer to BDL as the registered owner. Generally, the fact that the Expert has found against the Complainant on various factual matters does not establish that the Complaint was not made in good faith. Also, the fact that no Reply was served does not justify an inference that the Complainant was 'trying it on'. Therefore, the Expert is not satisfied that the Complaint was made in bad faith and finds that the Complainant was not engaged in reverse domain name hijacking.

## **Decision**

29. For the reasons given above, the claim fails and the Expert directs that no action be taken in respect of the Complaint.

**Signed: STEPHEN BATE**

**Dated 4 April 2013**