

Nominet UK Dispute Resolution Service

DRS 05260

Ladbrokes Betting & Gaming Ltd -v- Charles Osstyn

Decision of Independent Expert

a. Parties

Complainant: Ladbrokes Betting & Gaming Ltd
Address: Imperial House
Imperial Drive
Rayners Lane
Harrow
Middlesex
Postcode: HA2 7JW
Country: GB

Respondent: Charles Osstyn
Address: The registrant is a non-trading individual who has opted to have his address omitted from the WHOIS service
Postcode:
Country: GB

b. Domain Name

1adbrokes.co.uk (the "Domain Name")

c. Procedural Background

Nominet received hard copies of the Complaint in full on 20 November 2007 and notified the Respondent of the Complaint by letter and e-mail dated 21 November 2007. On 24 November 2007 Nominet received notice of a mail delivery system failure to the address postmaster@1adbrokes.co.uk.

No Response was received from the Respondent by the required deadline and Nominet so informed the Complainant and the Respondent by letter and e-mail dated 14 December 2007. In the circumstances the dispute did not proceed to informal mediation. Nominet received the appropriate fee from the Complainant on 19 December 2007 for a decision of an expert pursuant to §7 of the Nominet UK Dispute Resolution Service Policy Version 2, September 2004 (the "Policy").

Steve Ormand, the undersigned, (the "Expert") confirmed to Nominet on 20 December 2007, that he knew of no reason why he could not properly accept the invitation to act as expert in this case and that he knew of no matters which ought to be drawn to the attention of the parties that might appear to call into question his independence and/or impartiality.

Definitions used in this decision have the same meaning as set out in the Policy and/or the Nominet UK Dispute Resolution Service Procedure Version 2, September 2004 (the "Procedure") unless the context or use indicates otherwise.

d. Procedural Issues

The Respondent has registered the Domain Name as a non-trading individual and opted to have his details withheld from the public register. However, full contact address details still have to be provided to Nominet and maintained by the individual in order to satisfy the registration requirements.

Nominet notified the Respondent of the Complaint in accordance with §2a of the Procedure. Although an e-mail to postmaster@1adbrokes.co.uk dated 21 November 2007 was returned as “undeliverable”, no such message was received in respect of e-mails sent to the Respondent’s contact e-mail address and there is no evidence before the Expert to indicate that a later e-mail to postmaster@1adbrokes.co.uk was returned as undeliverable. Furthermore, Nominet’s letters to the Respondent’s contact postal address are deemed to have been received by the Respondent pursuant to §2e of the Procedure unless Nominet or the Expert decide otherwise. From the records in the Complaint file it is clear that Nominet have taken all necessary steps under the Procedure to contact the Respondent at the contact addresses that he provided.

There is no evidence before the Expert to indicate exceptional circumstances that prevented the Respondent from submitting a Response to the Complaint within the required time period or which should lead the Expert to take any action other than proceeding to a Decision on the Complaint pursuant to §15b of the Procedure. Accordingly, the Expert will now proceed to a Decision and is entitled, pursuant to §15c of the Procedure, to draw such inferences from the Respondent’s failure to comply with the Policy or the Procedure as the Expert considers appropriate.

e. The Facts

Complainant

The Complainant, a member of the Ladbrokes Group, operates in the betting and gaming industry and is the world’s largest fixed-odds betting company. It operates a network of over 2,600 retail betting shops in the United Kingdom, Ireland, Belgium and Italy where business is conducted over the counter and via betting terminals in its shops. The Complainant also offers online betting and gaming services under the LADBROKES name and has nearly 2 million registered users in over 200 countries. It offers betting and gaming (including sports book, casino and poker features) via the following websites through which it maintains an extensive on-line presence around the world:

- a. www.ladbrokes.com
- b. www.ladbrokescasino.com
- c. www.ladbrokespoker.com
- d. www.ladbrokesgames.com

The Complainant’s betting and gaming business, together with its parent company Ladbrokes Plc, generated profits of £249 million in 2005 and £268.1 million in 2006 as shown by extracts from the Annual Report for 2006.

The Complainant is the proprietor of the following trade mark registrations:

- a. LADBROKES word mark in the United Kingdom registered on 22 January 1993 under number 1,294,512 in Class 36 in respect of betting services and gaming services;

- b. LADBROKE and LADBROKES word marks in the United Kingdom registered on 29 December 1995 under number 2,004,802 in Class 41 in respect of casino services, gaming services, bingo hall services, football pools services, club and nightclub services.

Respondent

The Respondent registered the Domain Name on 21 February 2007.

The Complainant submitted a print out of the Respondent's website at www.osstyn.com which indicates that he manages Osstyn Consulting, an internet consultancy business, and that he was engaged by Sureseal Trade Windows Ltd as an Independent Business Analyst/IT & Telecommunications Support/Web Developer from "1 November 2004 until now".

Mr Ivor Mark Jacobs was a director of Sureseal Trade Windows Ltd between August 2004 and September 2005 and has been the Managing Director of 8OSS Ltd ('8OSS'), a private limited company incorporated in 2005, since October 2005.

Correspondence between the Respondent and the Complainant

On or about 11 June 2007, the Marketing and Sales Department of 8OSS contacted the Complainant with an unsolicited offer to sell the Domain Name to the Complainant for £499. The letter includes the following paragraph:

*"As you are well aware the internet is an invaluable tool and ensuring your competitors do not poach any prospective business is imperative when maximising profits. I am making this **exclusive offer** to you. However if you do not respond immediately I will open this offer to other prospective purchasers."*

On 13 June 2007, the Complainant's representative wrote to the Respondent drawing attention to the Complainant's rights in the LADBROKE and LADBROKES names and seeking transfer of the Domain Name, adding that documented registration and transfer expenses would be reimbursed by the Complainant.

On 22 June 2007, in a telephone conversation with the Complainant's authorised representative, the Respondent agreed to transfer the Domain Name to the Complainant for the sum of £100. The Complainant's authorised representative followed up the telephone call with an e-mail on the same day to confirm the discussion and sought evidence of the Respondent's claimed out of pocket expenses and written confirmation of the Respondent's agreement to transfer the Domain Name. The Respondent failed to respond.

On 19 July 2007 the Complainant discovered, following an internet search on "1adbrokes", that the Domain Name was advertised for sale at £299 on the website sexsynames.com. This website was registered on 3 January 2007 by Mr Ivor Jacobs and exhibits an explicit connection with 8OSS.

f. The Parties' Contentions

The Complaint

The Complainant contends that it has Rights in the names LADBROKE and LADBROKES because:

- a. It is the proprietor of registered trade mark rights in LADBROKE and LADBROKES as set out above.
- b. The Complainant and its associated companies have used its trade marks and the names LADBROKES and LADBROKE in connection with their respective businesses for many years. As a result of their extensive use of and investment in the names LADBROKES and LADBROKE the Complainant also owns unregistered rights in the names. To the extent that the Complainant's associated companies have used any of the trade marks referred to above they have done so with the Complainant's licence and consent. The above registered and unregistered trade marks are referred to herein as the 'Ladbrokes Trade Marks'.
- c. It has invested considerably in its online betting and gaming services, offering betting and gaming through websites using the LADBROKES name as set out above.
- d. The Complainant owns some 366 domain name registrations incorporating the LADBROKES and LADBROKE names.

The Complainant contends that the Domain Name is confusingly similar to the names LADBROKE and LADBROKES in which it has Rights because:

- a. The Domain Name is identical to the Complainant's trade mark LADBROKES, and highly similar to the Complainant's trade mark LADBROKE, save that the letter 'l' has been replaced with the visually similar numeral '1'. The Complainant submits that this is not a distinguishing difference, as the overall appearance of the Domain Name is almost identical to the Ladbrokes Trade Marks and is therefore a confusingly similar use of the Ladbrokes Trade Marks.
- b. It incorporates a substantial part of the Complainant's trade marks and is likely to lead the public to believe erroneously that the Domain Name belongs to, is affiliated with, or operated by the Complainant. The results of an Internet search for '1adbrokes' on various search engines (evidence of such searches are provided with the Complaint) illustrate the risk of confusion: search engines recognise the search term and return results which contain, inter alia, links to web pages operated by third parties that display the word '1adbrokes' and offer competing services with that of the Complainant along with links to websites operated by the Complainant. Such search results are likely to misrepresent to Internet users that any website hosted at the Domain Name or services offered from there are provided by the Complainant or are in some way associated with or connected to the Complainant. In these circumstances, the risk of consumer confusion is inevitable.

The Complainant contends that the Domain Name in the hands of the Respondent is an Abusive Registration because:

- a. The Complainant's use of the Ladbrokes Trade Marks predates the Respondent's registration of the Domain Name by many years.
- b. The Complainant submits that the Respondent does not own any trade mark rights in the word '1adbrokes' and has never been authorised by the Complainant or any of its associated companies to use the Ladbrokes Trade Marks.
- c. It can be reasonably inferred that the Respondent became acquainted with Mr Ivor Jacobs, the Managing Director of 8OSS, while employed at Sureseal Trade Windows Ltd a previous company of Mr Jacobs. The exchange of correspondence in June 2007, as set out above, demonstrates that the

Respondent and 8OSS personnel were acquainted and that they were necessarily aware of the Complainant and the names and marks in which it had rights at the time of registration of the Domain Name.

- d. The Respondent's sole purpose in registering the Domain Name was to sell the Domain Name, either on his own or jointly with 8OSS, to the Complainant or its competitors for profit.
- e. It was primarily registered for an abusive purpose within the meaning of §3(a)(i)(A) of the Policy with the sole purpose of taking advantage of the Complainant's high profile Trade Marks in order to sell the name back at a price greatly exceeding the registration costs, and:
 - i. Given the Ladbrokes Group's international reputation and the prominent position of the Complainant's betting shops on High Streets throughout the UK, the Respondent was overwhelmingly likely to be aware of the Complainant and the Ladbrokes Trade Marks. Furthermore, the letter offering to sell the Domain Name demonstrates the Respondent's awareness that internet search engines pick up web addresses that contain numbers substituted for letters and suggests that the Respondent and the 8OSS Ltd business deliberately targeted the Complainant in this regard.
 - ii. The Complainant knows of no reason why the Respondent should have registered the Domain Name other than for the purpose of selling it to the Complainant or its competitors, as the Domain Name is not generic and bears no relation to the Respondent's legal or business name.
 - iii. The 11 June 2007 letter indicates that should the Complainant reject the offer, 8OSS will approach other potential purchasers implicitly including the Complainant's competitors. The letter goes as far as warning the Complainant of the potential economic consequences of failing to agree to the sale of the Domain Name.
 - iv. The Complainant contends that the Ivor Jacobs listed as the registrant of sexsynames.com is the same person as the current Managing Director of 8OSS. The Domain Name is advertised for sale on this website at £299. It can reasonably be inferred that the Respondent, as the Domain Name proprietor and the person most likely to benefit from any sale is responsible, or responsible in conjunction with Ivor Jacobs.
 - v. There is no evidence of active use of the Domain Name as no website is hosted at the Domain Name save that the Domain Name has been pointed to the registrar's 'parked page' (printout provided with the Complaint). The Complainant is aware of only one use to which the Domain Name has been put, namely to offer it for sale.
 - vi. The Complainant contends that the sums offered to sell the Domain Name by the Respondent vastly exceed the Respondent's out of pocket costs of registration.
- f. The Domain Name is one of a pattern of registrations by the Respondent which correspond to well known names or trade marks in which the Respondent has no apparent rights within the meaning of paragraph §3(a)(iii) of the Policy. In support of the above, copies of WHOIS search results showing the Respondent as the registrant of the following domains is included with the Complaint:

- i. www.8etfair.co.uk and www.8etfair.com (BETFAIR);
- ii. www.5purs.com (SPURS)
- iii. www.p0rsche.co.uk (PORSCHE)
- iv. www.8lackberry.co.uk (BLACKBERRY)

In each case, the domain name is identical to the famous trade mark indicated in brackets save for the substitution of a visually similar numeral for one of the letters. Provided with the Complaint are printouts from these companies' genuine websites. On 26 September 2007 none of the above Respondent's domain name registrations were in use. The Complainant submits that these registrations were undertaken by the Respondent for the same purpose as registration of the Domain Name and submits that this amounts to the prohibited pattern of conduct under this head.

The Response

The Respondent did not reply.

g. Discussion and Findings

General

To succeed in this Complaint, the Complainant has to prove to the Expert on the balance of probabilities, pursuant to §2 of the Policy, both limbs of the test that:

1. *it has Rights in respect of a name or mark identical or similar to the Domain Name; and*
2. *the Domain Name, in the hands of the Respondent, is an Abusive Registration.*

Complainant's Rights

Rights is defined in §1 of the Policy as including, but not limited to, rights enforceable under English law, but a complainant may not rely on rights in a name or term that is wholly descriptive of the complainant's business. The wholly generic domain prefix "www" and the suffix ".co.uk" are discounted for the purposes of establishing whether a complainant has Rights in a name or mark which is identical or similar to a domain name.

The Complainant has presented evidence to establish that it is the proprietor of trade mark rights in the UK in the names LADBROKE and LADBROKES and that the registration of these marks pre-dates the Respondent's registration of the Domain Name. Furthermore, the Complainant has demonstrated unregistered rights in these names. The names are not wholly descriptive of the Complainant's business.

The Domain Name is identical to the Complainant's trade mark LADBROKES and similar to LADBROKE save that the letter 'l' has been replaced with the numeral '1'. The Expert agrees with the Complainant that this is not a distinguishing difference and that the appearance of the Domain Name is similar to the names LADBROOK and LADBROKES.

The Complainant has, for the purposes of the first limb of the test, established Rights in the names LADBROKE and LADBROKES that are similar to the Domain Name.

Abusive Registration

Abusive Registration is defined in the Policy as a Domain Name which either:

1. *was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage or or was unfairly detrimental to the Complainant's Rights; or*
2. *has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.*

The Complainant alleges Abusive Registration under three of the factors set out in a non-exhaustive list in §3 of the Policy which may be evidence that the Domain Name is an Abusive Registration, namely:

1. §3a i A - *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;*
2. §3a ii - *Circumstances indicating that the Respondent is using the Domain Name in a way which has confused people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant,*
3. §3a iii - *The Complainant can demonstrate that the respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names (under .uk or otherwise) which correspond to well known names or trade marks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern.*

§3a i A

The Complainant contends that there is a link between the Respondent, 8OSS and Mr Ivor Jacobs. In the absence of any refutation by the Respondent, the Expert accepts that on the evidence presented the Complainant has shown that there was or is such a link and that the approach made by 8OSS to the Complainant was likely to have been with the knowledge or approval of the Respondent.

For the Domain Name to be an Abusive Registration on the basis of an abusive intent at the time of registration the Respondent must at least have been aware of the Complainant's Rights at that time. In DRS 04884 (Maestro International Inc v Mark Adams) the appeal panel was not prepared to go so far as to accept that the respondent had the complainant in mind at the time of registration given that there is another trade mark of the same name and the trade mark in question is a dictionary word. In this case the name is not a dictionary word, nor is there another owner of a trade mark of the same name that is well known to the general public, and the name is very well-known. Thus, the name is in a class which in the Expert's opinion defeats the argument that the Respondent might have had some other mark of the same name in mind or might not have been aware of the Complainant. Furthermore, given the deliberate replacement of 'l' with '1' in the Domain Name and the approach to the Complainant with 4 months of its registration, it is reasonable in the circumstances, and in the absence of any refutation by the Respondent, for the Expert to conclude that the Respondent was aware of the Complainant when he registered the Domain Name.

The short space of time between the registration of the Domain Name and the approach by a representative of 8OSS, together with the registration of the sexsynames.com website at around the same time as the Domain Name and the content of the letter dated 11 June 2007, is indicative of a direct link between the registration and the offer to sell the Domain Name to the Complainant such that it is likely that the Domain Name was registered with the intention of selling it at a profit to the Complainant or one of its competitors.

In DRS 03078 (Jemella Limited v Landlord Mortgages Limited) the appeal panel confirmed that trading in domain names at a profit is not objectionable per se and where the registration is not abusive the respondent is free to ask any price he likes and it is up to the complainant to pay it or not. The key factor is that the registration is not abusive. Here, the Respondent was aware of the Complainant's rights at the time of registration and the Domain Name was registered with the intention of taking unfair advantage of the Complainant's Rights. This goes beyond the acceptable practice of the speculative registration of a domain name in the hope that it might prove in time to have a high value to someone.

§3a ii

The Complainant submits evidence of searches on "1adbrokes" in which the search engine has returned results of competitor gambling websites, the Complainant's own website, and the website offering the Domain Name for sale. What is not provided is results of a search on "ladbrokes" and whether the Domain Name also features in the returned results. The Expert is prepared to accept that while there is the possibility of confusion the Complainant has not provided any evidence of actual confusion.

§3a iii

This head of abusive registration was also considered by the appeal panel in DRS 04884 where it was found that the domain name in question was not part of such a pattern. The factors considered in that decision were:

1. first, that the domain names themselves were sufficiently different (i.e. comprising: dictionary words but where the ordinary meaning is overwhelmed by their fame as trade marks; combinations of dictionary words that are not common expressions; and names in a class of their own such as "Forrest Gump"); and
2. secondly, the domain name was registered in a different time period (almost a year after the last of the other domain names).

In this case, the Domain Name and the other domain names cited by the Complainant are similar in that each is a well known name or trade mark belonging to a third party where a letter has been replaced by a number. Furthermore, each was registered between 18 February 2007 and 3 March 2007 with the Domain Name registration occurring in the middle of this period on the same date as 8etfair.co.uk and 8etfair.com. Betfair operates in the same market as the Complainant. There is, however, no evidence to support the Complainant's assertion that these registrations were also undertaken by the Respondent for the same purpose as the registration of the Domain Name.

The sexsynames.com website offering these domain names for sale was also registered at around the same time. This site offers around 200 domain names for sale, many of which have had a letter replaced by a number (such as 5harp.co.uk, lev1.co.uk and 8oots.com) but there are also many which do not fall into this category and some which

are everyday words. There is no evidence that the Respondent is the registrant of these other domain names.

On balance, the Expert concludes that on the evidence of the domain names identified in the Complaint that have been registered by the Respondent, the short timeframe within which these domain names were registered, and the theme of using well-known names or trade marks and replacing letters with numerals, does indicate that the Domain Name was registered as part of a pattern of registrations in which the Respondent registered domain names which correspond to well known names or trade marks in which the Respondent has no apparent rights.

Conclusion

The Expert finds that the Respondent registered the Domain Name for an abusive purpose as set out in §3a i A of the Policy and that this registration was part of a pattern of registrations of well known names or trade marks (in which the Respondent has no apparent rights) registered by the Respondent contrary to §3a iii of the Policy, which is an Abusive Registration in contravention of the Policy.

h. Decision

In light of the foregoing findings, namely that the Complainant has Rights in a name which is similar to the Domain Name, and the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert directs that the Domain Name, 1adbrokes.co.uk, be transferred to the Complainant.

Signed: _____
Steve Ormand

Date: 14 January 2008