

DISPUTE RESOLUTION SERVICE

D00008967

Decision of Independent Expert

Rapid Racking Limited

and

UK Shelving Ltd

1. The Parties:

Lead Complainant: Rapid Racking Limited
Unit 3 Kemble Business Park
Cirencester
Gloucestershire
GL7 6BQ
United Kingdom

Complainant: Rapid Shelving Limited
Unit 3 Kemble Business Park
Cirencester
Gloucestershire
GL7 6BQ
United Kingdom

Respondent: UK Shelving Ltd
1 Northwick Road
Canvey Island
Essex
SS8 0PU
United Kingdom

2. The Domain Name(s):

rapidshelving.co.uk

3. Procedural History:

The Complaint was submitted to Nominet on 23 August 2010. On 24 August 2010, Nominet validated and notified the Complaint to the Respondent. The Respondent was informed in the notification that it had 15 working days, that is, until 15 September 2010 to file a response to the Complaint.

On 15 September 2010 the Respondent filed a Response. The Complainant did not file a Reply to the Response. The case proceeded to the mediation stage. On 23 November 2010, Nominet notified the parties that mediation had been unsuccessful and invited the Complainant to pay the fee for referral of the matter for an expert decision pursuant to paragraph 8 of Nominet's Dispute Resolution Service Procedure Version 3 ("the Procedure") and paragraph 7 of the corresponding Dispute Resolution Service Policy Version 3 ("the Policy"). On 2 December 2010, 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 2 December 2010.

4. Factual Background

Both the lead Complainant and the Complainant are limited companies registered in England and Wales with their registered office in Cirencester, Gloucestershire. The Complainant is a subsidiary of the lead Complainant. The lead Complainant was incorporated in 1986 and the Complainant in 1997. The lead Complainant specialises in racking and shelving for industrial, commercial and consumer use.

The lead Complainant is the proprietor of UK registered trade mark no. 2019269 for the stylised word mark RAPID filed on 18 April 1995 and registered on 29 November 1996 and of Community trade mark no. 5324223 for the word mark RAPID filed on 5 September 2006 and registered on 16 May 2008. Both trade marks are registered in class 20, namely racking, shelving and similar storage units while the Community trade mark is also registered in classes 6, 8, 16, 19 and 21. The lead Complainant is also the proprietor of Community trade mark no. 2380269 for the word mark RAPID RACKING FOR ALL YOUR STORAGE NEEDS filed on 18 September 2001 and registered on 15 February 2006.

The lead Complainant is the registrant of the domain name rapidshelving.com which it registered on 2 August 2000. Since that date, the lead Complainant has used rapidshelving.com for a website which refers traffic to its principal website at www.rapidracking.com.

The Respondent is a limited company registered in England and Wales with its registered office in Canvey Island, Essex. The Respondent was incorporated in 1995. The Respondent is a competitor of the Complainants and also supplies racking and shelving. The Respondent registered the Domain Name on 19 September 2006. The Respondent has used the Domain Name for a website which refers traffic to its principal website at www.ukshelving.co.uk.

5. Parties' Contentions

Complainant

The lead Complainant has been the owner and user of "rapid shelving" in connection with the commercial exploitation of shelving units and racks for over the last 30 years. During that time it has generated tremendous goodwill in the mark "Rapid" especially when used in connection with shelving and racking and its popularity is demonstrated by Google search results. The Complainants are synonymous with the word "rapid" in connection with racking and shelving across Europe by virtue of their Community Trade Marks. The Domain Name is similar to the lead Complainant's corporate name and identical to the Complainant's corporate name.

The Domain Name incorporates the lead Complainant's Community Trade Mark and because the application for the mark was made on 5 September 2006, and that protection is afforded from that date, it thereby infringes it.

The lead Complainant is the registrant of the domain names rapidshelving.com (registered on 2 August 2000), rapid-shelving.co.uk (registered on 16 October 2002) and rapid-shelving.com (registered on 11 May 2004); all of which were all registered prior to the Respondent registering the Domain Name.

The lead Complainant uses its domain names to direct traffic to its principal website at www.rapidracking.com and has done so since 2000 in the case of rapidshelving.com.

The Domain Name was registered at a time when there should be no doubt the Respondent would have been aware of the Complainant given the relatively small number of suppliers of racking and shelving.

When the Domain Name came to the Complainants' notice, the associated website used the word "Rapid" in a tag line "HIGH QUALITY PRODUCTS, RAPID RACKING AND SHELVING DELIVERY". After the Complainants' legal representatives sent a letter to the Respondent on 10 August 2010 requiring the deactivation of this website, the Respondent changed the design of the site to fit more substantially the appearance of the Respondent's principal website.

The Domain Name must be an abusive registration because there is no connection or use of the word "rapid" on the Respondent's main site or the changed front page of the current website to which the Domain Name points. The only connection with the word "rapid" is on the original version of the website.

In a telephone conversation between the Complainants' legal representative and a representative of the Respondent named Norman, the latter asserted that the Respondent's use of the word "rapid" denoted the speed of delivery. This is incongruous with the rest of the Respondent's main website on which delivery is referred to as "Express", not "Rapid". The Respondent's representative was unable to explain the change of adjectives. The Respondent is using the tenuous link between

"Rapid" and speed of delivery to attract Internet search engines when the Complainant's name or products are searched.

The Complainant's traffic analysis demonstrates that the number of referrals from the domain names rapidshelving.com, rapid-shelving.co.uk and keyword searches for "rapid shelving" dropped significantly or completely ceased after the Domain Name's registration. This demonstrates users are being confused by the two domains and into believing that the disputed domain must be that of the Complainants as they are UK based.

As the Complainant had registered the .com TLD version of "rapidshelving" in August 2000 and the domain rapid-shelving.co.uk in October 2002, it would appear that the Respondent has sought to obtain the Domain Name to prevent the Complainant for registering it. In discussion with the Complainant, the Respondent has indicated that it would be willing to sell the Domain Name. The Complainant offered £500 (being the costs they would incur in initiating the DRS) but the Respondent sought £10,000. This is extortionate and gives an indication of what the motive behind the registration actually was.

Respondent

The Respondent registered the Domain Name in 2006 because it was available and applicable to its business and services. It has been used to link to the Respondent's principal site, "UK Shelving", to help promote the Respondent's goods and services and was recently updated as part of a planned facelift incorporating new product lines and services.

The word 'Rapid' is not exclusive to the Complainant and it is only a trade mark in image form in a certain font. This has never been used in any form on any of the Respondent's websites.

The use of the word Rapid in the Respondent's tag lines was done for optimisational purposes in a similar way to how the Complainants use the phrase UK Shelving on their main site and in advertising such as on Ebay and Google Adwords.

This site has been used solely to promote UK Shelving and at no time has it claimed to be anything other than that. It has been designed to be found in its own right, not to deceive or detract from any other site. This is a case of sour grapes from the Complainant, who could have purchased the Domain Name at any time prior to the Respondent's purchase, because of the high Google ranking. If the Domain Name appeared in a lower ranked page the issue would not arise.

The Respondent found the Complainant's offer to purchase the Domain Name unacceptable. If an acceptable offer were to be made then the Respondent would give it proper consideration.

6. Discussions and Findings

General

In terms of paragraph 2(b) 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 paragraph 2(a) of the Policy, namely 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.

Complainants' Rights

Paragraph 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, the Complainants have produced evidence that the lead Complainant is the owner of two registered trade marks for the mark RAPID in the use class relating to shelving. The Complainants also assert that they have built up considerable goodwill in the term RAPID SHELVING by virtue of longstanding trading under this name both in terms of the Complainant's corporate name and more importantly the use of the domain name rapidshelving.com in the course of trade since 2000.

Clearly the trade mark RAPID is not identical to the term RAPID SHELVING. However, it is arguably similar on the basis that the additional word SHELVING is descriptive and non-distinctive. Nevertheless, the Complainants do not rely on registered rights alone but also on parallel unregistered rights in the term RAPID SHELVING. The Complainants assert that they have used the term RAPID SHELVING in connection with the commercial exploitation of shelving units both offline since the incorporation of the Complainant under that name in 1997 and in online terms since the registration and use of the domain name rapidshelving.com in 2000. The Complainants also state that they have used the term "for over the last 30 years" although there is no evidence for this as neither of the Complainants has even been incorporated for that length of time.

The Expert has reached the view that the Complainants do have rights within the meaning of the Policy in the term RAPID SHELVING. Nevertheless, the Expert had some difficulty in determining this question. Despite the fact that the Complainants provided reasonably detailed submissions no information was given on the nature or

extent of the Complainants' business beyond stating that it is "successful" and "award winning". The Complainants relied on Google and Bing Internet searches to demonstrate the popularity of their services but the Expert considers that high search placings on the popular search engines do not necessarily equate to recognition among consumers of the requisite goods and services and may conceivably be attributable to good search engine optimisation alone. Furthermore, materials copied from Google Analytics with which the Complainants clearly intended to demonstrate the extent of their use of domain names and keywords featuring RAPID SHELVING were virtually illegible. The Complainants also failed to provide a copy of the lead Complainant's UK registered trade mark (although its existence and number was detailed in a list alongside copies of the Community trade marks). The Expert therefore viewed this on the website of the UK Intellectual Property Office, adopting the approach of the expert in *Chivas Brothers Limited v. David William Plenderleith* (DRS 00292).

Despite all of these deficiencies and as noted above the threshold for Rights is relatively low and the Expert is satisfied that the Complainants have just achieved it on the basis of the submissions and evidence provided relating to the length of trading using the term RAPID SHELVING coupled with the UK and Community registered trade marks for the mark RAPID in the use class relating to shelving.

It is notable that the Respondent does not take issue with the assertions of the Complainants as to Rights, beyond challenging the trade mark for RAPID on the basis that this is constituted in "an image form in a certain font". In the Expert's opinion, this is not a valid criticism. The lead Complainant's UK trade mark is indeed a stylised word mark but this consists exclusively of the word RAPID reproduced in italics and with minimum stylisation. There are no other graphical elements contained within the mark. Furthermore, the lead Complainant's Community Trade Mark for the word Rapid is a word mark and has no stylisation or graphical elements.

Accordingly, the Expert finds that the Complainant has proved to the satisfaction of the Expert, on balance of probabilities, that it has Rights in a name which is identical or similar to the Domain Name, white space being impermissible in a domain name, and the first (.uk) and second (.co) levels of the Domain Name being disregarded for the purposes of comparison as is customary in cases under the Policy.

Abusive Registration

Paragraph 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. 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 paragraph 3 of the Policy which provides a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. These include paragraph 3(a)(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;

Paragraph 4 of the Policy provides a similar non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration including paragraphs 4(a)(i) and (ii):-

(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; [...]

(ii) The Domain Name is generic or descriptive and the Respondent is making fair use of it;

If a domain name is entirely descriptive and inherently incapable of ever distinguishing the goods or services in respect of which it is being used, paragraph 4(a)(ii) of the Policy may well provide a defence, regardless of the knowledge or intentions of the respondent. However, in other circumstances the respondent's knowledge, intentions and motives are key. It would be possible for the term RAPID SHELVING to have a wholly descriptive use (for example, if 'rapid' denoted some feature of the shelving) but neither of the Parties is using the term in this manner. Both Parties employ the RAPID element to refer to the speed of delivery of the goods and not to any characteristic or quality of the goods themselves. In these circumstances, the Expert will proceed to consider the knowledge and intent of the Respondent.

For the Complainant to succeed, the Respondent must either have registered the Domain Name or commenced the use which is complained of with knowledge of the Complainant's Rights. This question of knowledge was originally identified in the decision of the Appeal Panel in *Verbatim Limited v. Michael Toth* (DRS 4331) and was endorsed by the Appeal Panel in *Whistle Blowers Press Agency Ltd and Commercial and Legal Services (UK) Ltd v. Ketts News Service Ltd* (DRS 07066). It is worth adding that the Experts' Overview states that some experts believe that an absolute prerequisite of knowledge may overstate the position. However, it is difficult in the present case to conceive of the Domain Name constituting an Abusive Registration if the Expert were satisfied that the Respondent had never heard of the Complainants.

Contrary to the position faced by the expert in the recent case of *Dream Doors Ltd v. Alan Mark / Homestyle WTC Ltd* (DRS 8999) the issue of knowledge has been specifically addressed by the Complainants in the present case, albeit in rather scant terms. The Complainants state that at the time when the Domain Name was registered the Respondent would have been aware of the Complainants and their rights because of the length of time during which the Complainants had been trading

as RAPID SHELVING and in light of the fact that the number of suppliers of racking and shelving is small. In addition, the Complainants note that the Respondent was unable to offer any explanation as to why it moved from the word "Express" to the word "Rapid" to describe its delivery services, the implication presumably being that it did so because of the Complainants' rights and for no other credible reason.

The Expert is satisfied that the Complainant's rights in the name RAPID SHELVING had come into being prior to the date when the Domain Name was registered, being some six years after the Complainants commenced to trade online using the rapidshelving.com domain name. The Expert also considers that the Complainant's points, taken together, just constitute a *prima facie* case that the Respondent did indeed have knowledge of the Complainants and their rights on or before that date.

What then should be expected of the Respondent in addressing the above allegations? Paragraph 4.1 of the DRS Experts' Overview states the following:

The Respondent does not have to prove anything. However, it should not be overlooked that the obligation upon the Complainant is not to prove his case beyond all reasonable doubt, but to do so on the balance of probabilities. Accordingly, if the Respondent does not respond to the Complainant's allegations and the Expert takes the view that the Complaint sets out a convincing prima facie case, the Complaint is likely to succeed. To put it another way, if the Complainant has satisfied the Expert that the Respondent has a case to answer, the Expert will be looking for an answer. [...]

First, and most importantly, it is notable that the Respondent does not expressly deny knowledge of the Complainant and its rights at the time it registered the Domain Name. Rather, the Respondent seeks to explain away its choice of Domain Name as having been "available and applicable to our business and services". Even if this is interpreted as a denial of knowledge of the Complainants' rights at the relevant time (in which case it could and indeed should have been expressed far more clearly by the Respondent) the Respondent entirely fails to address the Complainants' assertion that the Respondent must have known of the Complainants because of the small number of suppliers in the shelving business and the length of time that the Complainants have been in that business.

It is also notable that despite the fact that the Complainants expressly rely upon the Respondent's alleged failure to explain its apparent move from describing its delivery services as "Express" to "Rapid", the Respondent has chosen to offer no further comment or explanation on this matter in the Response. Instead, the Respondent approaches matters merely by attempting to challenge the Complainant's stylised word mark and describing the Complainants' position as "sour grapes". While the issue is quite finely balanced, particularly because the Complainants could and should have provided supporting information as to the extent of the marketplace for racking and shelving, in light of the Respondent's failure to provide any credible rebuttal of the Complainants' *prima facie* case the Expert is prepared to find on balance of probabilities that the Respondent did know of the Complainants' rights when the Domain Name was registered.

Accordingly, the Expert now turns to the question of the Respondent's intent and motive in registering and using the Domain Name. The Expert is satisfied that in registering the Domain Name the Respondent was looking to maximise referral traffic to its principal website and indeed the Respondent does not deny this. The Expert considers it to be more probable than not that in so doing the Respondent intentionally selected a term which it knew to be associated with the Complainant, a rival business, with a view to unfairly capturing referral traffic otherwise destined for the lead Complainant's principal website. Having registered the Domain Name, the Respondent then created a landing page which would pass such traffic on to the Respondent's principal website. In all of these circumstances, the Expert is satisfied that the Domain Name was both registered and subsequently used in a manner which took unfair advantage of the Complainants' Rights.

Having reached this conclusion, the Expert requires to go no further. However, it is clear from the Parties' respective submissions that they are particularly exercised over the change of use of the website associated with the Domain Name which is said to have taken place at some point after the Complainants' legal representatives wrote to the Respondent. Accordingly the Expert will address those submissions for the sake of completeness. The screenshot of the original website provided by the Complainants shows that the Respondent's landing page featured the prominent strapline, "HIGH QUALITY PRODUCTS, RAPID RACKING & SHELVING DELIVERY". The title of the page was "UK Shelving - Rapid Delivery Shelving, Racking, Storage & Handling Products."

Neither of the Complainants' screenshots showed the bottom of the Respondent's website, or 'below the fold' as it is sometimes termed, and the Expert therefore visited the website in accordance with paragraph 16 of the Procedure. It was apparent from the Expert's review of the site that when the design changed, the original strapline was removed. The new design features the Respondent's corporate name "UK Shelving Ltd" prominently. Meanwhile, the page title remains the same. The only reference to "Rapid" is in the title and in small text at the foot of the page stating "Rapid Delivery Shelving [sic], Racking, Storage & Handling Products Across [sic] The UK".

As far as the Expert can tell from the Complainants' submissions, which are by no means clear on this topic, the Complainants may be suggesting that the change of design rendered the website associated with the Domain Name more confusing to visitors looking for the Complainants' sites. For its part, the Respondent asserts that there was no significance in the redesign which was merely part of a planned upgrade. The Expert does not place much store by either party's submissions on this topic. However, in the Expert's view, the use of the Domain Name to point to either version of the site (and particularly the original which did not feature the Respondent's corporate name so prominently) would be likely to confuse people or businesses into believing that the Domain Name was connected with the Complainants, as required by paragraph 3(a)(ii) of the Policy. Accordingly, the Expert takes this as further confirmation that the Domain Name is an Abusive Registration.

Remedy

The Complainants did not declare which of the Complainants they wished to become the sole registrant of the Domain Name in the event of their success in the Complaint, although clearly they should have done in terms of paragraph 3(b)(iii) of the Procedure. The Expert would in any event not have been bound by such a declaration and accordingly, on the basis that all or most of the various domain names listed in the Complainants' evidence appear to be registered in the lead Complainant's name, the Expert has decided to order transfer to that party.

7. Decision

The Expert finds that the Complainants have proved that they have Rights in 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. The Expert therefore directs that the Domain Name be transferred to the lead Complainant.

Signed
Andrew D S Lothian

Dated 8 December, 2010
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