

DISPUTE RESOLUTION SERVICE

D00010419

Decision of Independent Expert

L'Oreal S.A.

and

Richard Murphy

1. The Parties

Complainant: L'Oreal S.A.
14 Rue Royale
Paris
75008
France

Respondent: Richard Murphy
5 Hodson Close
Harrow
Middlesex
HA2 9JX
United Kingdom

2. The Domain Name

l-oreal.co.uk

3. Procedural History

Nominet checked that the complaint dated 19 October 2011 complied with its UK Dispute Resolution Service Policy ('the Policy') and the Procedure for the conduct of proceedings under the Dispute Resolution Service ('the Procedure'). It then notified the Respondent of the complaint, inviting him to file a response. As no response to the complaint was received by 11 November, Nominet told both parties that, if it received the appropriate fee, the case would be referred for an expert decision. That fee was received on 15 November.

On 25 November I, Mark de Brunner, agreed to serve as an expert under the Policy and Procedure. I subsequently confirmed that I am independent of each of the parties and that there are no facts or circumstances that might call into question my independence.

4. Factual Background

The Complainant is part of the L'Oreal group, which manufactures and sells cosmetics. It has used the L'Oreal name and brand for over 50 years. Worldwide, the group has 67,000 employees and recent annual turnover of over €19 billion. Over the last two years, the L'Oreal Paris and L'Oreal Professionnel brands have generated UK sales of more than £300m. The associated marketing budget exceeds £100m.

The group trades in the United Kingdom through the Complainant's subsidiary, L'Oreal (UK) Limited, which is responsible for the distribution, marketing and sale of beauty products in the UK.

The Complainant has numerous UK and European Community registrations for or incorporating the L'Oreal mark. The earliest of its trademark registrations is dated 1927.

The Complainant registered the domain name loreal.co.uk in October 1996. It uses it for a website that receives around 24,000 hits a month. The Complainant also has a website at loreal.com, linking internet traffic to country-specific websites that provide information about the L'Oreal group and products.

The domain name at issue was registered on 25 June 2011. It initially pointed to a parking page at 123-reg.co.uk which included a list of 'sponsored search results' that related either to competitors of the Complainant (such as MAC Cosmetics) or to some of the UK resellers of the Complainant's products (such as lookfantastic.com and uk.strawberrynet.com).

The domain name now redirects traffic to narlaa.com and resolves to a web page that says simply:

This page has been reserved for future use.

Solicitors for the Complainant and its UK subsidiary wrote to the Respondent on 11 August 2011 setting out their clients' rights and requesting the transfer of the domain name. There has been no reply.

5. Parties' Contentions

Complainant

The Complainant says it has rights in a name that is effectively identical to the domain name. It says this is an abusive registration because L'Oreal is an invented word which cannot sensibly refer to anyone other than the Complainant and the Respondent has no legitimate interest in it. In addition:

- (i) the registration stops the Complainant from registering the domain name;
- (ii) the use of the domain name has unfairly disrupted its business; and
- (iii) use of the domain name is also likely to be causing or have caused internet users to believe that the Complainant has some connection with the domain name (and, in particular, the links on the parking page to which the domain name initially resolved will have caused 'initial interest' confusion, even if that confusion would soon have been dispelled).

Respondent

There has been no response.

6. Discussion and Findings

To succeed in this complaint, the Complainant must prove, on the balance of probabilities, that

- it has 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.

Rights

The Complainant has been using the name L'Oreal for over fifty years and has spent large sums promoting the brand in the UK and worldwide. It has UK and EU trademark registrations for the name. It evidently has both unregistered and registered rights in the name L'Oreal.

The domain name at issue is l-oreal.co.uk. Section 2.3 of the *Experts' Overview* explains that:

a name or mark will ordinarily be regarded as identical to the domain name if, at the third level, and ignoring the presence of hyphens and the absence of spaces and ampersands, they are the same.

Here the only difference between the domain name and the name in which the Complainant has rights is that the domain name has a hyphen at the point where the Complainant's brand name has an apostrophe. It is clear from the *Overview* that, for the purpose of the rights test in the Policy, the presence of a hyphen in a domain name is usually regarded as immaterial. Domain names cannot contain an apostrophe, so the absence of one here is equally insignificant. Ignoring both the hyphen and the apostrophe, the domain name and the brand name are the same.

I conclude that the Complainant has rights in respect of a name or mark which is identical or similar to the domain name.

Registration

Within the terms of the Policy, an abusive registration is a domain name which:

- 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
- has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's rights.

The Policy contains a non-exhaustive list of factors that may be evidence that a domain name is an abusive registration and the Complainant's case reflects three of those factors: that this is a blocking registration; that the domain name was registered for the purpose of unfairly disrupting the Complainant's business; and that the Respondent is using the domain name in a way which has confused people into believing that it is connected with the Complainant.

As a matter of fact, the Respondent's registration of the domain name prevents the Complainant from registering the domain name. But in the absence of any direct evidence of the Respondent's motive at registration, that seems to me to be less than conclusive.

The Complainant is on firmer ground when it argues that the use of the domain name has unfairly disrupted its business and has confused or is likely to confuse people into believing that there is some connection between the domain name and the Complainant. The domain name initially resolved to a parking page containing links both to competitors of the Complainant and to resellers of the Complainant's products.

Links to competitors

It seems very clearly unfair to the Complainant for internet traffic to be attracted by the name in which it has rights, only for that traffic to be redirected to its competitors. The *Overview* says (section 3.3):

Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain name in issue. Similarly, there is bound to be a severe risk that an Internet user guessing the URL for the Complainant's web site will use the domain name for that purpose.

In such cases, the speculative visitor to the registrant's web site will be visiting it in the hope and expectation that the web site is a web site "operated or authorised by, or otherwise connected with the Complainant." This is what is known as 'initial interest confusion' and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived...

Findings of Abusive Registration in this context are most likely to be made where the domain name in issue is identical to the name or mark of the Complainant and without any adornment (other than the generic domain suffix).

That seems to me to be squarely the case here.

Links to 'resellers'

Equally, a line of DRS cases makes clear that 'resellers' of goods are not entitled to hold themselves out as the manufacturers or ultimate suppliers. From its analysis of two earlier appeal decisions, the appeal panel in *Toshiba Corporation v Power Battery Inc.* (toshiba-laptop-battery.co.uk - DRS 7991) identified four underlying principles that help determine whether a reseller's use of a domain name is, in fact, creating the false impression that it is the manufacturer or ultimate supplier:

1. It is not automatically unfair for a reseller to incorporate a trademark into a domain name and the question of abusive registration will depend on the facts of each particular case.
2. A registration will be abusive if the effect of the respondent's use of the domain name is falsely to imply a commercial connection with the complainant.
3. Such an implication may be the result of 'initial interest confusion' and is not dictated only by the content of the website.
4. Whether or not a commercial connection is implied, there may be other reasons why the reseller's incorporation of the domain name is unfair. One such reason is the offering of competitive goods on the respondent's website.

On the facts of this case, it seems to me that the effect of the Respondent's use of the domain name has been falsely to imply a commercial connection with the Complainant, based on initial interest confusion. In my view it does not matter that, once internet users reached the parking page, they realized that the domain name was unlikely to be connected with the Complainant. By then it was too late.

L'Oreal is a made up word and in my judgement the only reasonable conclusion is that the Respondent registered and has been using the domain name to ride on the back of the Complainant's reputation, confusing internet users and disrupting the Complainant's business. That must take unfair advantage of the Complainant's rights.

7. Decision

I find that the Complainant has 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.

In the light of that, I direct that the domain name be transferred to the Complainant.

Mark de Brunner

17 December 2011