

DISPUTE RESOLUTION SERVICE

D00012413

Decision of Independent Expert

Broadlink UK

and

Oladimeji Awe

1. The Parties:

Complainant:

Broadlink UK
Office 103, 90 Long Acre
Covent Garden
London
WC2E 9RZ
United Kingdom

Respondent:

Oladimeji Awe
30 Redriffe Road
London
E13 0JX
United Kingdom

2. The Domain Name(s):

btcloud.co.uk

3. Procedural History:

31 January 2013 Dispute received
31 January 2013 Complaint validated
31 January 2013 Notification of complaint sent to parties
19 February 2013 Response reminder sent
21 February 2013 Response received
21 February 2013 Notification of response sent to parties
26 February 2013 Reply reminder sent
1 March 2013 No reply received
1 March 2013 Mediator appointed
6 March 2013 Mediation started
11 March 2013 Mediation failed
11 March 2013 Close of mediation documents sent
21 March 2013 Complainant full fee reminder sent
26 March 2013 Expert decision payment received

4. Preliminary Procedural Issue

The Complainant has requested that the Expert admit a “non-standard submission” under the provisions of paragraph 13 of the DRS Procedure. The Expert has reviewed the submission and is prepared to admit it. Since the content of the submission does not change the decision in this case (as will be explained below), the Expert has decided that it is not necessary to give the Respondent the opportunity to respond to it.

5. Factual Background

The Nominet records show that the Domain Name was registered on 2 September 2012.

Based on the parties' submissions (see section 6 below) and a review of the materials annexed to the Complaint and the Response, set out below are the main facts which I have accepted as being true in reaching a decision in this case:

- a. The parties reached agreement for the Complainant to purchase the Domain Name from the Respondent for an agreed price of £5,000.
- b. Before that agreement was fully implemented, and before the Domain Name was transferred, the Respondent changed his mind and did not proceed with the transfer.

6. Parties' Contentions

Complaint

A summary of the Complainant's submissions is set out below:

(1) The Complainant made an agreement with the Respondent to purchase the Domain Name for the settled price of £5,000.

(2) It made a written contractual agreement with the Respondent by email correspondence to sell the Domain name to the Complainant and to transfer it using Escrow.com.

(3) The Complainant made full payment to Escrow.com on 25 June 2012 and the Respondent provided the domain authorisation code for the change in registrar, though failed to make the registrant transfer via Nominet. Therefore, the Complainant was led to believe that the Domain Name was in its possession, whilst in fact it remained in the control of the Respondent.

(4) The Complainant subsequently received an email from the Respondent on 11 October 2012 stating that he had changed his mind, and did not want to sell the Domain Name to the Complainant unless it "matched his initial offer" (£20,000). He claimed that the Complainant had acted dishonestly because its intent was to sell the Domain Name to a third party, and used this false accusation as a motive to retain possession of the Domain Name.

(5) The Complainant checked the WHOIS record and found that on 2 September 2012 the Respondent had moved the Domain Name out of the Complainant's registrar to his own account, one month before he informed the Complainant that he had changed his mind about the sale. The Complainant does not know how the Respondent removed the Domain Name out of its registrar account, nor does its registrar.

(6) The Complainant believes the Respondent received a higher offer for the Domain Name after the contractual agreement was made via email; therefore changed his mind and denied the Complainant rightful ownership of the Domain Name.

(7) At the time of the initial correspondence, the Complainant noted that the Domain Name was parked on a GoDaddy account. Since being told by the Respondent that he would retain control, he has not utilised the Domain Name.

Response

A summary of the Respondent's submissions is set out below:

(1) The Complainant does not have rights in respect of a name or mark which is identical or similar to the Domain Name *btcloud.co.uk*. This Domain Name contains 2 letters "b" and "t", and the word "cloud". This is not related to the Complainant's name Broadlink UK in any way. The Complainant does not own the mark "btcloud" or any mark similar to it.

(2) Registration and use of the Domain Name is fair and genuine and does not take advantage of the Complainant's rights because it does not have any such rights.

(3) The Domain Name is to be used for BlueTooth Cloud Ltd with company number 08391742.

(4) The Domain Name was not registered with the primary purpose of selling or renting it to the Complainant (or a competitor) for more than the Respondent paid for it; nor was it registered with the primary purpose of stopping the Complainant from using it; nor was it registered with the primary purpose of disrupting the Complainant's business; nor has it been used to confuse Internet users.

(5) The Domain Name has not taken unfair advantage of or has been unfairly detrimental to the rights of the Complainant at the time of registration and has not been used in a manner which took unfair advantage of or was unfairly detrimental to the rights of the Complainant.

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

Non-standard submission of the Complainant

A summary of this is set out below:

(1) The company registered by the Respondent named BlueTooth Cloud Ltd was incorporated on the 7 February 2013, which is after the Complaint in this case was filed. This was simply an attempt to strengthen the Respondent's claim to retain possession of the Domain Names by creating a company to "fit" the Domain Name.

(2) British Telecom applied to register two similar trade marks one month before the Domain Name was registered, namely BT CLOUD EXPERT (UK trade mark number 2631047) and BT CLOUD CRITICAL (UK trade mark number 2631048). The registration of the Domain Name in conjunction with the trade class of the company Bluetooth Cloud Limited is an infringement of British Telecom's intellectual property rights.

(3) The company Bluetooth SIG owns the trade mark BLUETOOTH in the class of cloud technology (UK trade mark number 2233355). The registration of the Domain Name in conjunction with the company Bluetooth Cloud Limited infringes the intellectual property rights of Bluetooth SIG.

(4) Since the use of the Domain Name concurrently with the company Bluetooth Cloud Technology infringes the rights of two well-known companies, it appears to the Complainant that the Respondent has decided to unlawfully cancel its contractual agreement with the Complainant with the aim to sell at a higher price to either BT Plc or Bluetooth SIG. These points show that the Respondent is highly likely to be executing web squatting behaviour. Therefore, the Domain Name is an abusive registration.

7. Discussions and Findings

Paragraph 2 of the Policy provides that, to be successful, the Complainant must prove on the balance of probabilities that:

- i it 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 (as defined in paragraph 1 of the Policy).*

Paragraph 1 of the Policy defines an "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."*

"Rights" are defined under the Policy as meaning:

"rights enforceable by the Complainant, whether under English law or otherwise"

The facts of this case are essentially the same as in DRS 04632 (David Munro v Celtic.com, Inc.- regarding the domain name *ireland.co.uk*). In both cases, the parties had reached agreement, including the price, for the sale of the domain name in issue; in accordance with their agreement, the purchaser (later the complainant) had paid the purchase price into Escrow.com (a third party escrow service); and, before the money was paid out to it from Escrow.com, the seller (later the respondent) changed its mind and withdrew from the arrangement.

I can do no better than quote some relevant sections from the decision of the appeal panel in the *ireland.co.uk* case, which are directly relevant to this case and with which I completely agree:

"Two preliminary issues arise from a consideration of the Rights claimed by the Complainant in this case: first, are rights to a domain name itself (as opposed to rights in a name or mark identical or similar to the domain name) sufficient to found Rights for the purposes of the Policy? second, if so, is a contractual right to use the domain name or to require the transfer of the domain name sufficient to constitute the necessary Rights?"

The primary purpose of the Policy (and of similar dispute resolution policies in respect of other domains) is to deal with unfair or abusive registration or use of

domain names that trespass on the rights of the owners of trade marks or of those who have acquired similar rights such as to give rise to a claim in passing off under English law. The definition of Rights in the Policy does not, however, exclude rights in respect of the domain name itself or, indeed, contractual rights to the domain name.

Furthermore, the Policy [paragraph 3a.v] itself clearly recognises that rights (including contractual rights) to a domain name may validly found a complaint under the Policy”

“The fundamental issue in this case, however, is the suitability of the DRS to determine contractual disputes. The Panel supports the view expressed by several Experts (including the Expert in this case) that as a general proposition contractual disputes are best left to the courts to resolve.

In addition, there remains the difficulty as to how the Nominet DRS might deal with overseeing the performance of the contract and what jurisdiction it has to do so.”

“The members of the Panel consider that the parties in this case may well have entered into a contract in respect of the Domain Name so that in refusing to transfer the Domain Name to the Complainant the Respondent is in breach of contract. But the members of the Panel each recognise that they were not appointed as experts in the law of contract.”

“The members of the Panel are not in a position to come to a clear view on the contractual issues.”

“Moreover, the Complainant seems to assume that the natural consequence of a finding of breach of contract by a court will lead inexorably to an order for transfer of the domain name in issue. That is not so. A court might decide that the fair result should be a damages award. Yet, the only sanction available [under the DRS] is transfer (or cancellation).”

“Even if specific performance of the contract were the just result, steps would have to be taken to ensure that the purchase price was paid over to the Respondent. Unlike a court, the Panel has no power to give any effective supervision to the enforcement of the contract.”

“For all the above reasons, the Panel is confident that pure contractual disputes of this kind are outwith the scope of the Policy. In all the circumstances, not only is the Panel unable to satisfy itself on the balance of probabilities that the Complainant has Rights but in any event it declines to allow the appeal.”

For completeness, I set out below the wording of paragraph 3.a.v of the DRS Policy, which covers a factual situation that does not apply to this case:

“The Domain Name was registered as a result of a relationship between the Complainant and the Respondent, and the Complainant:

- A. has been using the Domain Name registration exclusively; and*
- B. paid for the registration and/or renewal of the Domain Name registration”*

For the same reasons as given by the appeal panel in DRS 04632, my view is that contractual disputes of the type in this case are outside the scope of the DRS Policy. I am likewise not able to satisfy myself that the Complainant has the necessary Rights and generally of the view that this is not an appropriate case to be decided within the DRS. Whether or not the Complainant has a valid legal claim for breach of contract is an entirely different matter, and one on which I do not express a view. The proper means of deciding such a legal claim is through the Courts.

Finally, I will deal briefly with the non-standard submission made by the Complainant (as set out at the end of section 6 above). Since the Complainant has not asserted that it has any Rights other than pursuant to the alleged contract with the Respondent, the fact that the Respondent incorporated the company BlueTooth Cloud Ltd after the date of the Complaint is not relevant. The Rights which third parties may have are similarly irrelevant, meaning that the Complainant’s reference to rights which it says British Telecom and Bluetooth SIG have does not assist the Complainant. For the Complainant to succeed, it needs to be able to prove that it itself has relevant Rights. I have already found that it has not proved this.

8. Decision

For the reasons given, the Expert finds that the Complaint should be rejected.

Signed:
(Jason Rawkins)

Dated: 22 April 2013