

# **DISPUTE RESOLUTION SERVICE**

**DRS12477**

## **Decision of Independent Expert**

Lloyds Banking Group Plc

and

Mr Graham Kenny

### **1. The Parties:**

Lead Complainant: Lloyds Banking Group Plc  
Retail & Wealth Legal  
155 Bishopsgate  
London  
EC2M 3TQ  
United Kingdom

Respondent: Mr Graham Kenny  
8 St. Pauls Road  
Torquay  
TQ1 3QF  
United Kingdom

### **2. The Domain Name(s):**

bankofscotland-ppi-reclaim.co.uk  
blackhorse-ppi-reclaim.co.uk  
halifax-ppi-reclaim.co.uk  
hbos-ppi-reclaim.co.uk  
lloyds-ppi-reclaim.co.uk

### **3. Procedural History:**

#### **Dispute Chronology**

13 February 2013 18:10 Dispute received  
18 February 2013 12:56 Complaint validated  
18 February 2013 13:09 Notification of complaint sent to parties  
07 March 2013 01:30 Response reminder sent  
12 March 2013 08:54 No Response Received  
12 March 2013 08:55 Notification of no response sent to parties

22 March 2013 01:30 Summary/full fee reminder sent  
27 March 2013 09:37 Expert decision payment received  
27 March 2013 15:16 Sent expert decision pack, expert appointment and conflict check documents  
02 April 2013 09:52 Response received  
02 April 2013 09:53 Notification of response sent to parties  
05 April 2013 02:30 Reply reminder sent  
09 April 2013 15:07 Reply received  
09 April 2013 15:11 Notification of reply sent to parties  
09 April 2013 15:18 Mediator appointed  
12 April 2013 16:33 Mediation started  
07 May 2013 16:00 Mediation failed  
08 May 2013 10:14 Close of mediation documents sent  
08 May 2013 10:14 Expert decision payment received

### **Expert's declaration**

I can confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of a such a nature as to call in to question my independence in the eyes of one or both of the parties.

## **4. Factual Background**

The Complainant is a well-known banking group, with subsidiaries trading under various names including Lloyds, HBOS, Bank of Scotland, Halifax and Black Horse. The Complainant has a portfolio of registered trademarks incorporating to these names.

The Respondent is an individual offering services to banking customers claiming compensation claims for mis-sold payment protection insurance products. The Respondent trades as My Claim Solved Limited.

The Domain Names were registered by the Respondent as follows:

lloyds-ppi-reclaim.co.uk	5 May 2011
halifax-ppi-reclaim.co.uk	26 July 2011
hbos-ppi-reclaim.co.uk	4 January 2012
bankofscotland-ppi-reclaim.co.uk	19 July 2012
Blackhorse-ppi-reclaim.co.uk	25 July 2012

## **5. Parties' Contentions**

### **Complainant**

#### **Rights**

The Complainant has rights in names that form the dominant parts of the Domain Names. Lloyds TSB Bank plc, HBOS plc, Bank of Scotland plc and Black Horse Ltd are all subsidiaries of the Complainant. Halifax is a trading name of Bank of Scotland plc. The Complainant (and its relevant subsidiaries)

uses these names in domain names to associate the content of the website with the relevant company within the Complainant's group.

The words Lloyds, Halifax, HBOS, Bank of Scotland and Black Horse are registered trade marks. The Complainant has invested significant resources promoting and developing these trademarks and names, which are part of a large portfolio of trademarks and names owned by the Complainant and its subsidiaries. The Complainant has rights in them, including those incorporated in the Domain Names, arising from substantial trading history, promotional expenditure and brand development. As a result, they have inherent and acquired distinctiveness, recognised throughout the UK and elsewhere. They are well known in the financial services industry and the only reason a company would use them in domain names in a financial services context would be to create an association with them. Unauthorised use of these brands by third parties is unfairly prejudicial to the Complainant's rights. These trade marks are being used by the Respondent in the Domain Names and on the websites to which they resolve. The use of lower case lettering in the Domain Names does not distinguish them from the Complainant's brands.

The Respondent is not known by any of the names which form part of the Domain Names.

### **Abusive Registration**

The dominant and distinctive parts of the Domain Names consist of words identical to names in which the Complainant has rights. The use of these words in the Domain Names is intended to invoke the Complainant's brands and will result in initial interest confusion, as customers are likely to think that these Domain Names are owned by the Complainant.

This is particularly harmful as the Complainant offers free services to customers similar to those sold by the Respondent (the handling of PPI complaints). There is considerable risk that customers may be misled into thinking that the Domain Names relate to the free services offered by the Complainant. Confusion might arise from

- (a) the use of the Complainant's brand names in the Domain Names,
- (b) the descriptive wording which could apply to the Complainant's services, ("PPI reclaim"),
- (c) the fact that the Respondent is not known by any of the words or phrases in the Domain Names, the lack of any distinguishing wording and
- (d) the fact that the Domain Names resolve to websites featuring logos, colour schemes and trademarks used by the Complainant.

The overall effect is likely to deceive or confuse customers as to the ownership of the sites and the services offered. The Complainant knows of at least one case of confusion, and is asking the customer for permission to refer their details if necessary. Even if customers recognise that the Domain Names are not owned by the Complainant, they may be misled into thinking

that the service offered by the Respondent is endorsed by or otherwise associated with the Complainant.

The Respondent is unfairly exploiting the Complainant's goodwill and image to promote its own business, in such a way that will result in dilution and other damage to the Complainant's trademarks and business. The Respondent's business is based around encouraging past and current customers of the Complainant to bring claims against it, which is adverse to the Complainant's interests. Furthermore, it is conceivable that the Complainant would at some point wish to register its own domain names under these names, which use the Complainant's brand names along with other wording that could most reasonably be used to describe the Complainant's own PPI redress services.

The Domain Names are not legitimate "criticism sites" as there is nothing in them to differentiate them from a natural reading that the sites relate to PPI recovery services provided by the Complainant. Indeed it is only on a close reading of the website small print that the customer will become aware that the sites are not in fact run by the Complainant or one of its subsidiaries.

The Complainant has sent a cease-and-desist letter confirming that it regards the registration (and the use of the Complainant's logos) as abusive.

The Complainant registered an earlier complaint relating to the Domain Names (DRS 11727) but, regrettably, did not pay the Expert Determination fee in time. The Complainant understands that it may bring a new Complaint and does so accordingly. The failure to submit the fee in time did not reflect lack of confidence that the Domain Names are Abusive and should not be seen as acknowledgement that the Respondent's arguments were valid.

There have been two Nominet decisions against the Respondent, on identical issues: DRS11478, (<barclays-ppi-reclaim.co.uk>) and DRS11286 (<natwest-ppi-reclaim.co.uk>). The Complainant understands that each complaint should be considered on its own merits but requests that both these decisions are given due weight on the basis that they deal with the same factual matrix as the current Complaint. In spite of these earlier decisions, the Respondent has not changed its behaviour. Not only has the Respondent failed to apply the principles of these cases to its other domain names, but the Complainant submits evidence in support of the fact that the Respondent aims to reverse the effect of the Royal Bank of Scotland decision by registering the domain name <natwest-ppi-reclaims.co.uk>. The Complainant asserts that this is further evidence of an Abusive registration of the Domain Names.

## **Respondent**

### **Expert's Introduction**

The Response takes the form of letters dated 9 January, 2013 and 7 March 2013 from its legal advisors, offering answers to a letter from the Complainant's solicitors dated 10 December 2012. The Respondent addresses the Complainant's allegations of infringement of its trademarks,

infringement of a Code of the Committee for Advertising Practice, and an Abusive registration of the Domain Names as defined by the DRS Policy.

On 23 April 2013, the Respondent's solicitors sought permission under Paragraph 13b of the DRS Procedure to submit a non-standard supplementary Response, to describe changes which the Respondent says it has made to the contents of the Domain Names websites. In the solicitors' words, "These changes have arisen in relation to and during the course of the mediation stage of this matter in order to specifically address concerns raised by the Complainant." For the reasons set out in the Discussion section below, I will not consider this further submission from the Respondent.

### **Respondent's solicitor's letter of 9 January 2013 to the Complainant**

The Respondent denies infringing the Complainant's rights, pointing out that while he was the registrant of the Domain Names, the websites are owned by his company, My Claim Solved Limited, and that its business does not overlap or compete with that of the Complainant. The Respondent asserts that the use of the Complainant's trading names is solely to ensure that there is no misunderstanding by the public about the services offered by his company. The Respondent does not represent that it is connected to the Complainant and the content of the sites associated with the Domain Names makes no attempt to establish or suggest any connection with the Complainant.

In reply to the Complainant's allegations of customer confusion, the Respondent argues that the Complainant has provided no evidence of such confusion and that there has not been a single case of confusion on the part of members of the public contacting the Respondent via any of the websites associated with the Domain Names.

The Respondent further asserts that the business transacted via these websites is entirely legitimate and that the sites are free of any dishonest or misleading communication or marketing to the public.

The Respondent refers to the allegations of Abusive registration and points out that an earlier complaint was not advanced because of the non-payment of the appropriate fee. The Respondent interprets this as an acceptance that Domain Names and their associated websites contained nothing abusive, misleading or confusing and seeks clarification as to what changes the Complainant would wish to see on the sites.

### **Respondent's solicitor's letter of 7 March 2013**

In this letter, the Respondent points out that the Complainant had made no attempts to register the Domain Names before the Respondent did so.

The Respondent denies infringement of the Complainant's intellectual property rights, arguing that the Domain Names lettering is in lower case whereas the Complainant generally capitalises its names. The Respondent also points out that the Domain Names are in a "generally abbreviated format and refer specifically to PPI and reclaim or similar phrases."

The elements of the Domain Names and the specific nature of the services offered on the corresponding sites make very plain what is being offered to the public. The Respondent's company delivers the services offered.

The Respondent denies that there is any competitive interference with the Complainant's business. The Respondent offers a reclaim service which the Complainant does not. The Complaint offers banking services, which the Respondent does not.

The Complainant makes unsupported allegations of customer confusion. The Respondent positively asserts that "there has not been a single occasion of confusion by any member of the general public". Indeed, customers visit the Respondent's websites specifically because they are independent of the Complainant and its subsidiaries.

The Respondent has consistently offered to review the content of its sites to ensure that no confusion arises. The Complainant has refused all such reviews, a refusal which indicates a wish to restrain the business of the Respondent thus minimising its exposure to customer claims for mis-selling of payment protection insurance and other financial products.

### **Complainant's Reply**

The Complainant exercised its right to reply to points raised in the Response as follows:

The Complainant does not claim that it attempted to register the Domain Names before the Respondent did so. This argument is irrelevant. The Complainant owns many domain names incorporating its brand names and which are similar to the Domain Names in this Complaint.

The Respondent attempts to distinguish the Domain Names from the Complainant's brand names on the grounds that they use lower case lettering. This is misleading as domain names habitually use lower case lettering. The use of the elements "PPI-reclaim" are generic and do not serve to distinguish the Domain Names from the names in which the Complainant has Rights.

The Complainant does not allege unfair competition by the Respondent as he suggests. The Complainant argues that the Respondent's sites encourage claims against the Complainant and cause confusion on the part of the public which is likely to compromise the Complainant's brands.

The Respondent's denial of any adverse or unfair competition with the Complainant is irrelevant as this was not alleged. The Complainant rather argues that the Respondent has an adverse interest to the Complainant as it encourages people to make claims against it, and that the Domain Names risk causing customer confusion and dilution of the Complainant's brands.

The Respondent aims to distinguish its own services from those of the Complainant. However, the services offered by both Parties are aimed at

providing customers with redress for mis-sold PPI premiums. The risk of confusion is therefore easy to envisage.

The Respondent refers to the fact that it is regulated by the Ministry of Justice, whereas the Complainant is regulated by the Financial Services Authority. It is not plausible to suggest that a difference in regulatory bodies will prevent customer confusion concerning the services offered by the Parties.

The Respondent's assertion that it complies at all times with the requirements of its regulatory body is not relevant to this Complaint.

The Respondent's offers an unsupported argument that it has not received a single enquiry from what it considers to be a confused customers and that there has not been a single occasion of confusion by any member of the general public visiting the Domain Names. Even if this is so, it does not demonstrate an absence of confusion, nor of dilution of the Complainant's brands, nor of unfair prejudice to the Complainant's Rights.

The Respondent argues that the lack of evidence for customer confusion lay at the heart of the Complainant's not proceeding to an expert determination of the earlier complaint based upon the Domain Names. This is untrue.

The Respondent's allegation that the Complainant has refused to enter into discussions about the design and contents of the Domain Name websites is not correct. The Complainant participated fully in the mediation stage of the earlier complaint. Discussion of or changes to the design and content of the sites will not however cure the Abusive registration of the Domain Names, which incorporate names in which the Complainant has Rights.

The Respondent argues that this Complaint is an attempted restraint of trade. There is no basis for this claim.

### **Request by Respondent to make a further submission pursuant to Paragraph 13b of DRS Procedure**

The Respondent made the above request by means of a letter from its solicitors dated 23 April 2013, which is to say during the mediation stage of this dispute. The substance of the additional submission was not set out, but given in outline in the solicitor's letter. On the basis of this outline, and for the reasons given in the section 6 below, I have decided not to admit this material.

## **6. Discussions and Findings**

### **Introduction**

I must consider some procedural matters before addressing the Parties' submissions and the application of the DRS Policy to them. The first of these is that this is a re-submission of an earlier complaint involving the same Parties and the same Domain Names, which did not proceed to an expert determination because the fee was not paid. This was either an oversight as

the Complainant states or, as the Respondent argues, acquiescence by the Complainant towards the alleged abusive registration by the Respondent. These submissions will be considered below. So far as the validity of the present Complaint is concerned, paragraph 10e of the DRS Policy states:

*If a complaint has reached the Decision stage on a previous occasion it will not be reconsidered ...by an Expert. If the Expert finds that the complaint is a resubmission of an earlier complaint he or she shall reject the complaint without examining it.*

As the earlier complaint was deemed to have been withdrawn before the Decision stage, I accept that the submission of the present Complaint is valid. Were there to be any doubt about this, paragraph 10g of the DRS Policy lists grounds upon which reconsideration of an earlier case might be appropriate which include, at paragraph 10.g.v “*the avoidance of an unconscionable result*”. Refusal to consider this Complaint would produce such a result.

Secondly, the Complainant alleges trademark infringement against the Respondent and breaches of an advertising code of conduct. While the existence of registered trademarks may be relevant to a complainant’s Rights under the DRS Policy, questions of infringement are matters for the courts. Accordingly, I make no comment on this issue. Likewise, I offer no view as to any breach of advertising codes of conduct on the Respondent’s part.

Thirdly, by a letter dated 23 April 2013, and thus during the mediation stage of this dispute, the Respondent asked to make a non-standard submission pursuant to Paragraph 13b of the DRS Procedure. The timing of this request, the explanation of the need for the submission and the outline account of its substance all lead me to reject the request. It explains that the Respondent had made significant changes to the Domain Name websites as a result of exchanges between the Parties during mediation, or perhaps as a result of earlier DRS cases cited by the Complainant. The letter argues that if the Complainant has a right to cite earlier DRS cases involving the Respondent, fairness dictates that the Respondent should be allowed to show that it acted constructively during the mediation stage by making changes to its websites. However, it is not appropriate for an expert to consider matters arising from the mediation stage. If the Respondent felt it important to show that changes to the sites supported its position, this should have been done in its initial Response. In any event, for reasons set out below concerning customer confusion, I do not think that such a submission will assist the Respondent. The question before me is whether the Domain Names are Abusive Registrations in the Respondent’s hands. While repeating that the issue of trademark infringement is not a matter for this Decision, it is the case that the Domain Names incorporate names in which the Complainant has Rights and the question of unfair prejudice to these Rights can be determined without reference to the websites’ contents.

To this end, I begin my consideration of the substantive issues in this case with the standard reminder of what a Complainant must show to succeed in a



DRS complaint. Paragraph 2 of the DRS Policy requires the Complainant to show, on a balance of probabilities

- (a) *that it has rights in a name which is the same as or similar to the Domain Name, and,*
- (b) *that the registration of the Domain Name by the Respondent is an Abusive registration.*

Paragraph 1 of the DRS Procedure defines Abusive Registration as a domain name which

- 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 or has been unfairly detrimental to the Complainant's Rights.*

### **Complainant's Rights**

The Complainant submits evidence of trademark registrations for the names Lloyds, Halifax, HBOS, Bank of Scotland and Black Horse and claims additional unregistered Rights in these names arising from a long trading history, marketing and brand development resulting in widespread public recognition. I note that no evidence is submitted in respect of these unregistered Rights, presumably on the erroneous basis that its notoriety is such that evidence of it would be superfluous. In any event, I accept the existence of the Complainant's registered Rights in the above names.

The next issue is the similarity of the above names to the Domain Names. In each case, the name of a banking entity is followed by hyphenated extensions "-ppi-reclaim.co.uk". In my opinion these extensions are merely descriptive and do not serve to distinguish the Domain Names from the principal elements in which the Complainant has Rights. The burden of proof in this regard is not intended to be onerous and I conclude that the Complainant has Rights sufficient to make this Complaint.

### **Abusive registration**

Paragraph 1 of the DRS Procedure defines Abusive Registration as a domain name which

- 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 or has been unfairly detrimental to the Complainant's Rights.*

The DRS Policy sets out a non-exhaustive list of factors which may establish that a registration is Abusive in the hands of the Respondent. Those relevant

to the Complainant's submissions are set out in paragraph 3 of the DRS Policy 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. 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 trademarks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;*

The Complainant argues that the registration of the Domain Names prevents the Complainant from registering these Domain Names and is thus a blocking registration under paragraph 3.i.B of the DRS Policy. The Respondent says that the Complainant had made not made any attempt to register the Domain Names before he did so. This does not help the Respondent as there is no obligation on the part of parties to a DRS dispute to register pre-emptively all domain names which might conceivably incorporate any of its names, brands or other identifiers. The fact that a party has not registered a domain name incorporating an element in which it has rights is not to be taken automatically as acquiescence in registrations which may be prejudicial to its rights.

The Complainant further argues that there is a likelihood of confusion on the part of the public who might go to the Domain Names sites believing them to be operated by the Complainant. The Respondent's answer is that there is no evidence of such confusion and that the content of the websites at the Domain Names leaves visitors in no doubt about the purpose or the proprietorship of the sites. So far as actual confusion is concerned, no concrete evidence is presented by the Complainant as to its presence nor by the Respondent as to its absence. The Complainant relies upon the proposition that confusion is likely, at the point when the public see the

Domain Names because its trading names are incorporated into them. Considering this issue, the DRS Expert Overview explains confusion as follows:

*“The ‘confusion’ referred to ... is confusion as to the identity of the person/entity behind the domain name. Will an Internet user seeing the domain name or the site to which it is connected believe or be likely to believe that “the domain name is registered to, operated or authorised by, or otherwise connected with the Complainant?”*

*“... 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.”*

Applied to this Complaint, this reasoning points unequivocally towards a risk of “initial interest” confusion caused by the Respondent’s use of the Complainant’s names in the Domain Names. I therefore conclude, on a balance of probabilities, that the registration of the Domain Names falls within the contemplation of Paragraph 3 I C ii of the DRS Policy and supports a finding of an Abusive registration.

For completeness, I will consider the third of the Complainant’s arguments, that the Respondent is engaged upon a pattern of behaviour of Abusive registrations, as described in paragraph 3.C.iii of the Policy. In support, the Complainant cites two earlier DRS cases with very similar facts, to which the Respondent was an unsuccessful party. I have considered these cases and conclude, again on the balance of probabilities, that the Complainant correctly alleges that the registration of the Domain Names is part of a pattern of Abusive registrations.

I must now consider whether the Respondent can look to other factors which might show that the registration was not Abusive. Paragraph 4 of the DRS Policy sets out such factors as follows:

*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. In relation to paragraph 3(a)(v); that the Respondent's holding of the Domain Name is consistent with an express term of a written agreement entered into by the Parties; 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. If paragraph 3(c) applies, to succeed the Respondent must rebut the presumption by proving in the Response that the registration of the Domain Name is not an Abusive Registration.*

I do not think that any of these factors apply in this case. The Respondent does not dispute the Complainant's Rights, but argues, in effect, that use of these names in the Domain Names is legitimised by the separate, lawful, commercial purposes to which its websites are dedicated. Put simply, the Respondent might say, for example, that it is impossible to offer a PPI reclaim service to customers of Lloyds bank without mentioning Lloyds bank up front. In one of the earlier cases to which the Respondent was an unsuccessful party, (DRS11286), the expert reviewed various categories of complaint in which respondents had incorporated into their domain names the trading names of complainants. The Respondent may recall the words of the Appeal panel in DRS07991 (Toshiba-laptop-battery.co.uk) quoted by the expert on that occasion:

- 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 individual 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 as a result of "initial interest confusion" and is not dictated only by the contents 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 was unfair. One such reason is the offering of competitive goods on the respondent's website".*

I discussed initial interest confusion above and the Respondent cannot get

around it by a bare assertion that no confusion has arisen. A false implication of a commercial connection between the Parties is inherent in the use of the Complainant's names in the Domain Names. The Respondent offers services which could plausibly be seen as alternatives to those of the Complainant and seeks a commercial advantage on the back of the Complainant's names or marks; I find that that this is unfairly detrimental to the Complainant's Rights, within the contemplation of Paragraph 1 ii of the DRS Procedure.

## **7. Decision**

I find that the Complainant has Rights in names or marks which are identical or similar to the Domain Names and that the registration of the Domain Names is an Abusive registration as defined in the DRS Policy. The Domain Names should accordingly be transferred to the Complainant.

**Signed:** Peter Davies

**Dated:** 20 May 2013