

DISPUTE RESOLUTION SERVICE

D00014621

Decision of Independent Expert

Comfort Click Ltd

and

Mr Gary Coward

1. The Parties:

Complainant: Comfort Click Ltd
Address: 106 Lower Addiscombe Road
Croydon
Surrey
CR0 6AD
Country: United Kingdom

Respondent: Mr Gary Coward
Address: 12 Cambridge Rd
Liverpool
Merseyside
L23 7TY
Country: United Kingdom

2. The Domain Name(s):

2shytobuy.co.uk ("Domain Name")

3. Procedural History:

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 such a nature as to call in to question my independence in the eyes of one or both of the parties.

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| 6 August 2014 | Dispute received |
| 6 August 2014 | Complaint validated and notification of complaint sent to parties |
| 26 August 2014 | Response reminder sent |

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| 26 August 2014 | Response received and notification of response sent to parties |
| 26 August 2014 | Reply received and notification of reply sent to parties |
| 26 August 2014 | Mediator appointed |
| 29 August 2014 | Mediation started |
| 14 October 2014 | Mediation failed |
| 24 October 2014 | Expert decision payment received |

Definitions used in this decision have the same meaning as set out in the Nominet UK Dispute Resolution Service Policy Version 3, July 2008 (the “Policy”) and/or the Nominet UK Dispute Resolution Service Procedure Version 3, July 2008 (the “Procedure”) unless the context or use indicates otherwise.

4. Factual Background

The Complainant trades through websites under the mark SHYTOBUY in the UK and Europe. The Complainant has trademarks in the name SHYTOBUY registered since 2007 in the UK and 2010 in the European Community.

The Respondent trades in computer pc repair, web design and domain names.

The Respondent registered the Domain Name on 23 April 2004.

5. Parties’ Contentions

The Complaint

The Complainant contends that he has Rights in the name SHYTOBUY and that the Domain Name is similar to this name, on the basis of the following submissions:

1. The Respondent’s use of the Domain Name is unauthorised and infringes the Complainant’s registered trademark SHYTOBUY.
2. The Complainant’s trademark is registered as follows, in respect of lotions and lubricants and the retail sale of the same:
 - a. Intellectual Property Office (IPO) in the UK under registration number 2455374 on 14 May 2007 (www.ipo.gov.uk/tmcase/Results/1/UK00002455374);
 - b. Community Trademark (CTM) under registration number E8431835 on 31 May 2010 (oami.europa.eu/eSearch/#basic/1+1+1+1/shytobuy).
3. The Complainant has owned and operated www.shytobuy.co.uk since purchasing the website in 2002.
4. During this time SHYTOBUY has been used extensively in the UK and European Union by the Complainant. The name has built up significant goodwill and is recognised and associated with the Complainant.
5. The Domain Name is identical or confusingly similar to the name, trademark or service mark in which the Complainant has rights.

The Complainant contends that the Respondent’s registration and/or use of the Domain Name is an Abusive Registration on the basis of the following submissions:

1. The Respondent has no rights or legitimate interests in respect of the Domain Name or trademark.

2. The Domain Name was registered in bad faith after the registration of www.shytobuy.co.uk and is being used in bad faith.
3. The Respondent has no right or legitimate interest in the Domain Name. The Complainant has not granted the Respondent or his agent permission to use the Complainant's trademark. The Respondent is not commonly known nor was ever known by the Complainant's trademark nor has the Respondent used the Domain Name in connection with a bona fide offering of goods and services or for a legitimate non commercial or fair use.
4. The Complainant's trademark SHYTOBUY, registered in various countries, is known throughout Europe and is easily recognised.
5. As the Domain Name is identical to the Complainant's trademark, registration is insufficient to distinguish it from the Complainant's trademark.
6. The Domain Name is a logical domain name for the Complainant. Consequently, it is highly likely that a significant number of Internet users would believe that the Domain Name would lead to the Complainant's website.
7. The Complainant's trademark is distinctive in the market in which it operates and serves to identify the Complainant. It is highly unlikely for another person to choose that name without the Complainant in mind and the possibility that Internet users will confuse it for the Complainant's trademark.
8. The use of Complainant's mark is clearly an attempt at obtaining an unfair advantage of the reputation of the Complainant's websites and the SHYTOBUY brand. This is a dilution of the Complainant's trademark and creates confusion. Such confusion and misuse would cause substantial damage to the Complainant's business, reputation and the goodwill in the trademark. It is clear that the use of the Complainant's mark was wholly intended to capitalise on the Complainant's reputation and goodwill.
9. The Respondent was aware at the time of registration of the commercial value of the Complainant's trademark as the means to distinguish the Complainant's services from those of its competitors.
10. The Respondent has listed the Domain Name for sale on Sedo and is currently only entertaining offers of over £9999.00. The Domain Name is being sold without content and the only value associated with this sale relates specifically to the similarity of www.2shytobuy.co.uk to the Complainant's website www.shytobuy.co.uk.

The Response

The Respondent contends that the registration and/or use of the Domain Name is not an Abusive Registration on the basis of the following submissions:

1. The Respondent has had the Domain Name for about 11 years. It is not the same as the Complainant's mark and in no way was it obtained "in an attempt at obtaining an unfair advantage of the reputation of [the Complainant's] website".
2. The Respondent had no idea of the existence of the Complainant's website and had not come across it in the entire time he has owned the Domain Name.
3. The Respondent came up with the name himself, and then searched for it in the usual way to ensure it was available, which it was, and so purchased the name with the intention of setting it up as a lingerie site. The Respondent has had a number of interested parties over the years looking to launch a lingerie site using this name and he is currently negotiating with a company that has gone as far as designing and printing literature including business cards, logo designs, stationary and postcards incorporating the name 2shytobuy. The literature is original in concept and independently designed and does not

resemble the logo for SHYTOBUY, a copy of which has been sent to the Respondent along with the dispute letter.

4. The site that is currently under construction is a template for testing the shopping cart through a company called OpenCart.
5. The Respondent's work involves pc repair which encompasses web design and he has bought domain names and designed websites for various companies since around year 2000. The Domain Name site is under construction and in no way poses a threat to the Complainant's business.
6. The Respondent is confused by the statement that "such confusion and misuse would cause substantial damage to our business, reputation and the goodwill in our trademark" as surely after 11 years any detriment to their business would have been felt a long time ago. It is puzzling that the Complainant has not voiced its concerns earlier.
7. The Respondent has made his motives and the process by which he came to obtain the Domain Name quite clear and that has never intended to mislead or to capitalise on anyone else's name or business.
8. The Respondent has paid the annual fee to retain the Domain Name in good faith for the past 11 years and feel strongly that he has the right to continue to own it and use it as he sees fit.
9. The Domain Name is not identical and the Respondent does not believe it to be confusingly similar having a number 2 at the beginning.
10. The Respondent has a legitimate interest in the Domain Name which he has demonstrated by negotiating with various companies, and is currently negotiating with one company in particular, with regard to setting up a lingerie site.
11. The Domain Name was registered in good faith only a year later than Complainant's website and without any knowledge of the Complainant, and has certainly never been used in bad faith.
12. The Respondent is not using the Complainant's trademark and as he was unaware at the time, and has been unaware since, of the Complainant's domain name, why would the Respondent request or need the Complainant's permission to use the Domain Name.
13. If the Complainant's trademark is known and easily recognised throughout Europe this would support the theory that their name is secure and is unlikely to be affected by the Domain Name. This is supported by the fact that it has only just come to the Complainant's notice after 11 years.
14. The Respondent is not commonly known by the name SHYTOBUY because he is not purporting to be SHYTOBUY and has never intended any confusion with the Complainant's name.
15. The Domain Name is not a logical name for the Complainant, causing significant numbers of internet users to believe it would lead to its website; they are two different names, and when SHYTOBUY is put into the internet, the user is directed to the right site. In fact the Complainant's name is top on Google. Therefore, the Domain Name poses no threat to the Complainant whatsoever.
16. The use of Complainant's trademark is not an attempt to obtain an unfair advantage, to create confusion, to cause damage to or capitalise on its business, reputation and goodwill. The name was conceived by the Respondent, availability checked and bought in good faith.
17. The Respondent vehemently denies that he was aware at the time of registration of the commercial value of the Complainant's trademark. The Complainant has no proof that this was the case as it blatantly was not.

18. The Respondent has not listed the website for sale on Sedo for offers over £9999. A screen shot can be given in evidence to show that no price has been set for sale of the Domain Name. The Complainant has provided a copy of a screen shot which misleadingly shows an offer being rejected as too low and an amount of £9999 being quoted. This is an error on behalf of Sedo as no minimum price has been set by the Respondent.
19. Sedo was only used by the Respondent to gauge the market and measure any interest in the Domain Name and what it may be worth.

The Reply

The Complainant replied to the contentions in the Response in the following terms:

1. The Domain Name incorporates the Complainant's trademark in its entirety, adding only '2-' in the url. Registration in this manner is insufficient to distinguish the Domain Name from the Complainant's trademark and existing domain name.
2. The Respondent admits that he registered the Domain Name after the Complainant's domain name which leads to the inevitable conclusion that the Respondent was aware of the Complainant's website and intended to benefit from the Complainant's registration and use of the domain shytobuy.co.uk.
3. The Respondent claims that the price set on Sedo is an error on behalf of Sedo. It is noted that in setting up a domain for sale on Sedo the user is responsible for setting the price, currency and minimum offer acceptable to the user. In this case the respondent has set a minimum bid threshold of £9999.99 and therefore wishes to only entertain offers above this value. This is something that is set by the seller and Sedo has no control over this. This leads to the conclusion that the Respondent's intentions are purely to sell this website and capitalise on the goodwill that the Complainant has created in the SHYTOBUY brand.
4. Clause 5.1.2 on Sedo's User Agreement (<https://www.sedo.com/uk/about-us/policies/terms-of-use/?tracked=1&partnerid=&language=e?tracked=1&partnerid=&language=e>) are clear:

'5.1.2. Domain Listing Options

Sellers have several listing options when offering Domains for sale on the Domain Marketplace: Buy Now, Make Offer, or Auction.

Sellers may submit a 'Buy Now' Domain listing by submitting or updating their Domain listing to include a fixed price that serves as an open-ended offer to Buyers on the Domain Marketplace to sell the Domain at the indicated price. This offer to sell the Domain at the indicated price shall remain binding for so long as until Seller updates the Domain listing in their Sedo user account with a different fixed price offer or an alternative listing type and this update has been reflected on the Domain Marketplace. Sale prices indicated in Buy Now listings are considered to be the end price for the Buyer including any applicable taxes. When available, Buyers on the Domain Marketplace may still submit an offer to the Seller below the binding Buy Now price indicated by Seller, which Seller can either ignore, accept or respond by adjusting their Buy Now price expectations.

If a Seller does not state a fixed sales price when listing their Domain for sale, the Domain listing will display as a 'Make Offer' listing and serves as an invitation for other Users to submit an offer for the purchase and sale of the Domain that is the subject of the Domain listing.

Sellers may submit a 'Minimum Offer' preference for their Domain listing by submitting or updating their Domain listing to include a minimum price at which Seller is willing to

consider offers. A Minimum Offer indication on your Domain listing serves as an invitation for other Users to submit an offer in excess of the stated amount for the purchase and sale of the Domain that is the subject of the Domain listing.

Buy Now and Make Offer Domain listings are automatically promoted on the Sedo Site and the websites of Sedo's promotional partners based on the listing preferences of Sedo's partners, which are subject to change from time to time without prior notice."

5. As soon as the Complainant became aware of the Domain Name it attempted to contact the Respondent in December 2013 via email and letter and again in January 2014.
6. The Complainant corresponded briefly with the Respondent's hosting company; however, despite confirmation that the Respondent would reply, the Respondent failed or neglected to respond to the letter.
7. The Respondent's statement that he was completely unaware of the Complainant's website is untrue.

6. Discussions 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. *The Complainant has Rights in respect of a name or mark which is 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 "*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 wholly generic suffix ".co.uk" is 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.

I am satisfied on the papers before me that the Complainant has registered rights in the name SHYTOBUY arising from trademark registrations in 2007 and 2010. The Complainant has not, however, presented any evidence of rights arising (unregistered or otherwise) prior to the trademark registration in 2007. It is insufficient simply to assert that it has operated the website www.shytobuy.co.uk since 2002. There is no evidence of sales, marketing budgets, website traffic or any other information to show that the Complainant had rights in the name at any time prior to 2007, including at the time of the Respondent's initial registration of the Domain Name in 2004.

I find for the purposes of the first limb of the test in §2 of the Policy that the Complainant has Rights in the name SHYTOBUY which, discounting the prefix "2", is identical to the distinctive element of the Domain Name.

Abusive Registration

Abusive Registration is defined in §1 of 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 of or was unfairly detrimental to the Complainant's Rights; or
2. has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights.

A non-exhaustive list of factors which may be evidence that a domain name is an Abusive Registration is set out in §3 of the Policy.

The Complainant says that its trademark is distinctive in the market in which it operates and that it is highly unlikely that another person would choose that name without the Complainant in mind. The Complainant also says that since the Respondent admits that he registered the Domain Name after the Complainant registered www.shytobuy.co.uk that this leads to the inevitable conclusion that the Respondent was aware of the Complainant's website and intended to benefit from the Complainant's registration and use of it.

The Policy does not explicitly require that the Respondent was aware of the Complainant's Rights, but it is at the very least a relevant consideration – see §2.4 of version 2 of the DRS Experts' Overview (http://www.nominet.org.uk/sites/default/files/drs_expert_overview.pdf, published Nov 2013).

As noted above, the Complainant has not provided any evidence that it had rights in the name SHYTOBUY prior to the registration of its trademark in 2007 save to say that it has operated the website www.shytobuy.co.uk since 2002.

Accordingly, in the absence of any evidence, I do not accept that the Respondent's registration of the Domain Name leads to the inevitable conclusion that he was aware of the Complainant's website or indeed that he intended to benefit from it.

As to the distinctiveness of the name, SHYTOBUY is a combination of everyday words being used to describe the type of goods available for purchase at the Complainant's website as goods that a visitor might be too "shy to buy". The Experts' Overview at §4.9 provides guidance on whether the use of a generic or descriptive term in a domain name can be abusive:

"Yes but, depending on the facts, the threshold level of evidence needed to establish that this is the case is likely to be much higher. It may well often depend upon the extent to which such a term has acquired a secondary meaning, which increases the likelihood that any registration was made with knowledge of the rights that existed in the term in question. . In many such cases where there is little or no evidence of acquired secondary meaning the Respondent is likely to be able to show that the domain name in question has been arrived at independently and accordingly cannot have been as a result of an Abusive Registration. A helpful discussion is found in DRS 04884 (maestro.co.uk) where the Appeal Panel observed "Where a domain name is a single ordinary English word, the meaning of which has not been displaced by an overwhelming secondary meaning, the evidence of abuse will have to be very persuasive, if it is to be held to be an Abusive Registration under the DRS Policy".

The Complainant has not provided any evidence to show that SHYTOBUY has acquired a secondary meaning. Equally, the Respondent has not provided evidence to establish that he independently arrived at the Domain Name. Nevertheless, the Respondent's explanation of how he came to select and register the Domain Name is plausible, particularly given the descriptive nature of the phrase "shy to buy" and the addition of the "2" as a prefix.

In summary, there is not enough in the papers before me to persuade me that at the time of registration the Complainant had Rights in the name SHYTOBUY, that the name had acquired a secondary meaning and that, if such Rights existed, the Respondent knew of them. Accordingly, the Complainant has failed to show Abusive Registration under the first limb of the definition in §1 of the Policy.

Turning to the Respondent's use of the Domain Name, the Experts' Overview at §4.7 provides guidance on whether a respondent can make fair use of a domain name where it is also a complainant's trade mark and such use is causing confusion:

"Yes. While, ordinarily, a confusing use of such a domain name will be regarded as unfair, it may not be regarded as unfair where, for example, the Respondent's registration and use of the domain name predates the Complainant's rights, the Respondent has not changed his use of the domain name to take advantage of the Complainant's rights and the Respondent's behaviour has been unobjectionable. Decisions involving domain name registrations pre-dating the Complainant's rights are DRS 02223 (itunes.co.uk), the decision and Appeal decision in DRS 04962 (myspace.co.uk), the decision and Appeal decision in DRS 05856 (t-home.co.uk) and the decision and Appeal decision in DRS 06365 (oasis.co.uk). The final decisions in all but the first of those cases went in favour of the Respondents.

The principles to be derived from those decisions, each of which differed on their facts, are as follows:

- 1. Where the domain name registration pre-dates the coming into existence of the Complainant's rights, the act of registration is unlikely to lead to a finding of Abusive Registration. It is not possible to be categoric on this point, because it is not inconceivable that a finding of Abusive Registration could result in circumstances where the Respondent effected the registration in breach of an obligation of confidence and with knowledge of the Complainant's plans.*
- 2. Ordinarily, provided that the Respondent has done nothing new following the coming into existence of the Complainant's rights to take advantage of those rights, the Respondent's use of the domain name is unlikely to lead to a finding of Abusive Registration.*
- 3. However, where the domain name is connected to a parking page operated on behalf of the Respondent by a third party (eg a hosting company), the Respondent is unlikely to be able to escape responsibility for the behaviour of that third party.*

.....

Another use, which may not be regarded as unfair within the terms of the DRS Policy, is where the Complainant's name or mark is a dictionary word or a combination of dictionary words and not well-known and the Respondent reasonably registered and has been using the domain name in ignorance of the Complainant's rights. In such circumstances, if the confusion is likely to be very limited, an Expert might conclude that it would be unjust to deprive the Respondent of his domain name. [The Appeal decision in DRS 04889 (wiseinsurance.co.uk)]. However, there is a view among some Experts (albeit a minority) that a confusing use which is likely to constitute trade mark infringement cannot be anything other than unfair."

I have already dealt with the first derived principle and found that, on the papers before me, the registration of the Domain Name pre-dates the coming into existence of the Complainant's Rights as evidenced in this complaint.

It is not clear whether the Respondent has done anything new following the coming into existence of the Complainant's Rights. A website has been developed to offer ladies underwear for sale but it is not in a completed state nor is it operational, and how the timing of that development relates to the establishment of the Complainant's Rights is not clear. There is no evidence presented as to how the Domain Name was used prior to this development or that such use has at any time offered products or links to site competing with the Complainant's products.

The Complainant says that the Respondent offering to sell the Domain Name for a minimum price of £9,999.99 is abusive. Trading in domain names is not abusive per se and offering the Domain Name for sale with or without a reserve price is not on its own a factor evidencing abusive registration.

The trademark is a combination of dictionary words and I am not persuaded by the limited evidence before me that it is a well known mark. I do not and cannot seek to impugn the validity of the Complainant's trade mark registrations, or pass any judgment on whether or not they have been infringed – that is not the province of the DRS. There is no evidence of confusion and, as the Respondent has noted, it is the Complainant's name SHYTOBUY and not the Domain Name that appears at the top of a Google search. On this evidence, I can only conclude that if there has been confusion then it has been very limited and, taking all of the proceeding factors into account, that the Complainant has failed to discharge the burden of proving its case on the balance of probabilities.

Accordingly, the Complainant has failed to show Abusive Registration under the second limb of the definition in §1 of the Policy.

7. Decision

In light of the foregoing findings, namely that the Complainant has Rights in a name which is similar to the Domain Name, but that the Domain Name, in the hands of the Respondent is not an Abusive Registration, I direct that no action is taken in respect of the Domain Name (2shytobuy.co.uk).

Signed: Steve Ormand

Dated: 24 November 2014