

# **DISPUTE RESOLUTION SERVICE**

**DRS17380**

## **Decision of Independent Expert**

Laverana GmbH & Co. KG

and

Pat Hume

**1. The Parties:**

Lead Complainant: Laverana GmbH & Co. KG  
Am Weingarten 4  
Wennigsen  
30974  
Germany

Respondent: Pat Hume  
Conchieton Business Centre  
Conchieton  
Kirkcudbright  
Kirkcudbrightshire  
DG6 4TA  
United Kingdom

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

lavera.co.uk  
lavera.uk

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

22 April 2016 16:25 Dispute received  
25 April 2016 16:28 Complaint validated  
26 April 2016 11:14 Notification of complaint sent to parties  
16 May 2016 02:30 Response reminder sent  
17 May 2016 10:49 Response received  
17 May 2016 10:49 Notification of response sent to parties  
18 May 2016 10:20 Reply received  
25 May 2016 12:31 Notification of reply sent to parties  
25 May 2016 12:32 Mediator appointed  
06 June 2016 14:45 Mediation started  
19 July 2016 12:30 Mediation failed  
19 July 2016 12:30 Close of mediation documents sent  
26 July 2016 11:55 Expert decision payment received

#### **4. Factual Background**

The Complainant is a company registered in the Federal Republic of Germany. It is a manufacturer of cosmetics, in business since 1987. The Respondent, Mrs Pat Hume, is the registrant of the Domain Names. After identifying the Respondent as registrant, the Whois entries for the Domain Names include “t/a Pravera Limited”.

A list of its distributors provided by the Complainant includes Pravera Ltd as the Complainant’s distributor in the United Kingdom.

The Domain Names were registered on 28 February 2001 (<lavera.co.uk>) and 22 July 2014 <lavera.uk>. At the date of this Decision, the former Domain Name resolves to a website maintained by Pravera Ltd and the latter to a holding page.

#### **5. Parties’ Contentions**

##### **Expert’s Introduction**

I have attempted below to summarise the submissions of the Parties. There is confusion at various points in the submissions about whether the <.co.uk> Name or the <.uk> Name, or both of them, is or are being referred to. Where possible, I have tried to make this clear. I may have misunderstood the writer’s intentions on occasion, but I do not feel that this materially alters the case put forward by either Party.

##### **Complainant**

The Complainant is a German company founded in 1987 developing, producing and selling natural cosmetics. The trademark LAVERA has wide recognition. Evidence is submitted of its reseller network, industry awards and press coverage in many markets across the globe. The Complainant is also the proprietor of many domain names incorporating its protected name.

The Complainant is the owner of several trademarks, with the denomination LAVERA registered, among others, for cosmetics in many territories.

The German trade mark registration No. 1087216 of LAVERA (word mark) dates back to December 10, 1985. Details of other trademark registrations are provided, including:

Community Trademark No. 004098679 LAVERA (word mark)  
US trademark No. 2,687,717 LAVERA (word mark)  
UK trademark No. 140214 LAVERA  
UK trademark No. 1402416 LAVERA

The Domain Names consist of the Complainant's mark LAVERA in its entirety only. The Domain Names are identical to the Complainant's LAVERA mark.

### **Abusive Registration**

The Complainant presents in evidence a printout of the website at the <.uk> Domain Name dated 07/10/2015, showing that the Website is not in use thus preventing the Complainant from using that Domain Name in the UK.

The Complainant points out that the LAVERA mark is a coined word with no descriptive significance. It is highly distinctive and it has been reproduced in the Domain Name. The LAVERA portion is the only part of the Domain Names which will attract consumers' attention. The Complainant argues that the Domain Names are obviously and confusingly similar to the Complainant's mark.

There is no evidence that the use of the <.uk> Domain Name by the Respondent is in connection with a bona fide offering of goods or services. The Respondent has not been and is not commonly known by the Domain Name. The Respondent has never been known with respect to LAVERA goods and has never been a licensee of the Complainant's trademarks.

The Complainant alleges that the Domain Names were registered primarily for the purpose of disrupting its business. The Respondent intended when registering the Domain Names to gain customers expecting to contact the Complainant, thereby benefitting financially from links and online advertisements. In doing so, the Respondent intended to ride on the goodwill of the Complainant's mark to exploit Internet traffic destined for the Complainant. Potential partners and end users are led to believe that the Domain Names lead either to the Complainant's site, dedicated to the Respondent, or to the site of authorised partners of the Complainant.

### **Respondent**

The Respondent points to the fact that the Complainant has brought a Complaint in respect of both the <.co.uk> and <.uk> Names. In doing so, the Complainant is conflating two separate disputes which were referred to Nominet's Mediation service on an earlier occasion. Combining the cases in this way allows the Complainant to confuse the issues and perpetuate errors and misleading allegations.

The Respondent challenges the Complainant's claim to be well known as an international business on the grounds that it has a very small share of the global market for beauty and personal care products. The Complainant has no distribution in the USA and its claim that its products are available in China is inconsistent with a statement issued by the Complainant that it refrains from supplying China due to animal rights issues.

The Respondent states that the assertion that she is unknown to the Complainant is false. A photograph submitted by the Respondent shows the CEO of the Complainant and herself at an annual congress - one of many she attended. The Respondent also offers in evidence a copy of a personal note of thanks from the Complainant's CEO, proving that she is known to them. The Respondent claims that she developed the site at the <.co.uk> Domain Name, offering the full range of Lavera products in the UK with the Complainant's encouragement until early 2015. The Respondent maintains that this close association over a long period accounts for the fact that the Domain Name(s) are identical to the Complainant's trading name.

The Respondent contends that she regularly engaged in discussion with the Complainant's staff regarding the content of the website. In 2014 Julia Thum the Complainant's Export Manager personally visited the Respondent, thanking her for the work done with developing Lavera sales.

The Respondent asserts that the website at the <.co.uk> Domain Name is devoted exclusively to the Lavera brand for the promotion and sale of Lavera products. The Respondent has never claimed to maintain the "official" site for Lavera although she has operated with the utmost integrity in offering the complete range of Lavera products in the UK.

The Respondent claims that her livelihood has been built developing Lavera sales in the UK and that she has done so in good faith and in collaboration with the Complainant. The Respondent maintains that she has done nothing to bring the brand into disrepute and has often fed back information to the Complainant. The Complainant has often asked the Respondent to proof read product packaging prior to re-launch to ensure correct English translations and to make suggestions for improvement.

The Respondent states that she was advised that as owner of the <.co.uk> Domain Name, she had first refusal to purchase the <.uk> Domain Name and believed it was the right thing to do to safeguard her business. The Respondent claims that it was her intention to construct an information website at the <.uk> Domain Name to mirror the <www.lavera.de/en> website following a request from the Complainant.

### **Complainant's Reply to the Response**

The Complainant exercised its right to submit a reply to the Response. For the most part it contains simple denials of the points raised by the Respondent. Specifically, the Complainant maintains that the Parties have no contractual or licensee relationship and the Respondent has received no invitations to company events as she alleges.

The Complainant denies that the Respondent informed the company or sought permission to register the Domain Names as alleged in the Response.

The Complainant states that the meeting with Ms Julia Thum referred to by the Respondent was to discuss transfer of the Domain Names and not for the purposes indicated in the Response.

Neither the Respondent nor Pravera Ltd is licensed to make use of the Complainant's marks without prior agreement, which has not been given in respect of the Domain Names.

## **6. Discussions and Findings**

### **DRS Policy**

Paragraph 2 of the DRS Policy requires that the Complainant must make its case that:

*2.a.i. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and*

*2.a.ii. The Domain Name, in the hands of the Respondent, is an Abusive Registration.*

Under Paragraph 2.b of the Policy, the Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.

Paragraph 1 of the DRS Policy defines Rights 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;”*

Elsewhere in Paragraph 1 of the Policy, “Abusive Registration” is defined 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**

The Complainant has submitted evidence of community and UK trademark registrations in the word LAVERA. It has also submitted evidence to support a claim of rights at common law, arising from an international business presence over a significant period. The Respondent challenges this latter claim, arguing that the Complainant's global market share is very small and pointing to an apparent contradiction in the Complainant's references to its business in the People's Republic of China and the absence of a trading presence in the United States. These objections

are not persuasive but the matter is academic; the Complaint's trademark registrations in LAVERA, a name identical to the substantive portion of the Domain Names in this case, are sufficient to get the Complainant past the Rights test as set out in the DRS Policy.

### **Abusive Registration**

Although two Domain Names form the subject matter of this dispute, the Complaint refers throughout to "the disputed Domain Name" or "the contested Domain Name" in the singular. At one point it refers to "the contested Domain Name" resolving to a holding page. This is true of the <lavera.uk> Domain Name but not of the earlier 2001 <.co.uk> registration. The Complainant's Reply to the Response does contain remarks that allow me, with difficulty, to understand its position in respect of the <.co.uk> Name. I am therefore able to reach a decision in respect of both Domain Names.

The Parties submissions paint a very incomplete picture of the relationship between them. For the most part, each Party merely alleges that what the other Party says is misleading or untrue. I should record that the Respondent requested leave to make a further non-standard submission, under paragraph 13b of the DRS Procedure. The Respondent's explanatory paragraph suggested that this submission aimed to clarify or supplement the information available in the original submissions, by reference to earlier disputes between the Parties which had gone through Nominet's Mediation procedures. I was obliged, under paragraph 7b of the DRS Procedure to decline to view this non-standard submission as it contained confidential material from mediation proceedings which could not be seen by third parties, including Nominet's external experts.

Paragraph 3a of the DRS Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. Factors relevant to this Complaint are found in sub-sections i and ii of this paragraph 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;*

I can best address the Parties' submissions in two stages. Much of the general background described in the submissions is only indirectly relevant and I will consider this briefly first. I will then consider the tests for Abusive Registration in the DRS Policy and apply these tests to the information available.

The main point upon which the Parties disagree is the question of whether the Respondent was, in her own right, a known, de facto business partner of the Complainant? The Respondent offers plausible evidence to show that she was, but this is countered by the Complainant's insistence that it did business only with Pravera Ltd and then only with its managing director Mr Grahame Hume. The Complainant maintains that the Respondent was never invited to company events and if she did visit its premises, it was always in the company of Mr Hume.

The Respondent's relationship with the Complainant is at issue because of her registration of the Domain Names in her own name. She claims she discussed these registrations with the Complainant and the Complainant denies this. The Respondent goes on to assert that over the years following the 2001 registration, the Complainant raised no objections to the use of the <.co.uk> Domain Name. This can reasonably be inferred from the appearance of that Domain Name alongside the Pravera Ltd details on the Complainant's own list of overseas re-sellers submitted in evidence. In the period between the two registrations, 2001 to 2014, a course of business was presumably in place between the Complainant and Pravera Ltd, and the <.co.uk> Domain Name would presumably have been a significant feature of it. Neither Party offers anything to suggest otherwise. In 2014 however the Complainant states that its representative, Ms Thum, had a meeting with the Respondent, and subsequently several unsuccessful attempts were made to make written contact with the Respondent, specifically to ask for the Domain Name or Names (whether it is one or both of them is not known) to be transferred. No record of the meeting or correspondence is submitted in evidence to support this point.

I turn now to the application of the DRS Policy to the available facts. The Complaint is somewhat unbalanced in this regard. The Complainant goes to inordinate length to establish rights in its name, when the briefest reference to its UK and other registered trademarks would have satisfied the DRS rights test. By contrast, the Complainant's allegations of Abusive registration are sparsely argued and for the most part are not supported by evidence. The Complainant relies upon paragraph 3 of the DRS Policy quoted above, submitting that the Domain Names were registered to block the Complainant from registering them, (paragraph 3.a.i.B) and to create confusion on the part of the Complainant's potential customers (paragraph 3.a.ii).

So far as the allegation of a blocking registration is concerned, the Complaint asserts that "the Domain Name", in the singular, is not in use, suggesting that the Respondent is holding on to it to prevent its acquisition by the Complainant. The <.uk> Domain Name does indeed resolve to a holding page, but the <.co.uk> Domain Name resolves to an apparently active website, more or less as it was at the date of the sample screenshot dated 7<sup>th</sup> October 2015 submitted by the Complainant. Beyond the holding page to which the <.uk> Domain Name resolves, there is no evidence (such as an offer to sell one or both of the Domain Names to the Complainant) to suggest that the registrations were made for blocking purposes.

There is also no evidence for the Complainant's claim that the Respondent is confusing customers as to the ownership of the Domain Names. Much use is made of the expression "confusingly similar", an expression well known in domain name disputes under the UDRP but of less moment under the DRS Policy. The Complainant makes repeated use of this expression to imply that the unadorned use of its mark in the Domain Names is self-evidently misleading. A domain name may, as in this case, exactly repeat a complainant's trademark, but whether or not anybody is or might be misled or confused by it is a matter of fact which needs to be established under the DRS policy on the balance of probabilities.

The Respondent denies intending to mislead and points to the length of time she has been using the <.co.uk> Domain Name for the marketing and sale of Lavera products. There is some merit in this argument and the Complainant offers no evidence of customer confusion, such as calls to the Complainant by UK users seeking clarification. However, in my judgement this is a case where the risk of "initial interest confusion" is likely to be present. A UK user seeking to make purchases or obtain information from the Complainant is very likely to try one or other or both of the Domain Names and will reach the Respondent's trading site at the <.co.uk> location. The use of the Complainant's protected mark will have brought the user to a site other than the one he or she was looking for. Even if the site displays material designed to eliminate the possibility of confusion, the Domain Name has taken unfair advantage of the Complainant's rights. The damage is done.

Earlier DRS cases have shown that there may sometimes be scope for disagreement where questions of initial interest confusion are concerned. However, the site content visible on the <.co.uk> site raises an additional problem. In her Response, the Respondent writes as follows:

*The website to which the domain name www.lavera.co.uk is devoted exclusively to the lavera brand for the promotion and sale of lavera products.]*

The Complainant submits in evidence a screenshot dated 7<sup>th</sup> October 2015 of the website to which to <.co.uk> Domain Name resolves. On the lower left-hand side of the page is a list of what appear to be third party suppliers of cosmetics, personal and home care products. Clicking on these re-directs the visitor to <pravera.co.uk> with pages specific to each of the third party suppliers listed. I cannot see how the presence of these links is compatible with the claim of the Respondent quoted above.

Several DRS cases have considered cases involving re-sellers of a complainant's products. Certain principles have emerged in respect of such cases which are summarised in the DRS Expert Overview (2<sup>nd</sup> Edition 2013) at paragraph 4.8 as follows:

***4.8 Is it possible for a domain name to be abusive, where, despite the fact that it incorporates the Complainant's trademark, there is no serious risk of any confusion?***

*Yes. It is to be noted that the definition of Abusive Registration condemns not only those domain names, which cause unfair detriment to the Complainant's rights, but also those domain names which take unfair advantage of the Complainant's rights.*



*This issue crops up most commonly in the so-called ‘reseller’ cases, the cases where the domain name registrant is using the domain name to sell the trademark owner’s goods. The generally accepted principles to be derived from the cases, as reviewed by the appeal panel in Toshiba Corporation v Power Battery Inc (DRS 07991) <toshiba-laptop-battery.co.uk> are:*

- 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.*

*This last point envisages a finding of Abusive Registration in circumstances where there may be no likelihood of any confusion. The use of the domain name for the sale of competing goods was the basis for the finding of Abusive Registration in the Toshiba case, even though a majority of the panel found no likelihood of any confusion (“initial interest confusion” or otherwise).*

The reasoning in point 4 above and the short discussion which expands upon it apply in this case and point to a conclusion of Abusive Registration of the Domain Names. The Respondent might perhaps argue that simply listing the names of 3<sup>rd</sup> party suppliers on the Domain Name site is not offering their goods for sale: interested users have to click on a name and leave the <lavera.co.uk> page in order to see and buy the products from their dedicated pages on the <pravera.co.uk> site. The Respondent might otherwise argue that the 3<sup>rd</sup> party products are not “competitive goods” as contemplated by the Expert Overview paragraph quoted above. I do not think either argument can succeed. The end result of the current arrangement is that the Respondent benefits financially, (actually or potentially), by virtue of its unfair use of the <lavera.co.uk> Domain Name using the Complainant’s unadorned mark. Even if the Respondent could show that the Complainant acquiesced in her use of its trademark for the registration and use of the Domain Names at an earlier time, she cannot show that the Complainant’s acquiescence extends to the display of information about 3<sup>rd</sup> party suppliers.

I conclude that the Domain Name <lavera.co.uk> is an Abusive Registration. As the Respondent’s registration of the <.uk> Domain Name was contingent upon her ownership of the <co.uk> Name, I take the view that this second registration is also an Abusive Registration.

## **7. Decision**

For the reasons given above, I find that the Domain Names are Abusive Registrations as defined in the DRS Policy. I direct that the Domain Names be transferred to the Complainant.

**Signed: .**

**Dated: 13 August, 2016**

**Peter Davies**