

# **DISPUTE RESOLUTION SERVICE**

**D00017660**

## **Decision of Independent Expert**

Virgin Enterprises Limited

and

Asif Ali

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

Complainant: Virgin Enterprises Limited  
Virgin Enterprises Limited  
The Battleship Building  
179 Harrow Road  
London W2 6NB  
London  
W2 6NB  
United Kingdom

Respondent: Asif Ali  
111A Little Bookham Street  
Leatherhead  
Surrey  
KT23 3AF  
United Kingdom

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

virgincoffee.co.uk (“the 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 a such a nature as to call in to question my independence in the eyes of one or both of the parties.

The procedural history is as follows:

28 June 2016 11:33 Dispute received  
28 June 2016 12:01 Complaint validated  
28 June 2016 12:08 Notification of complaint sent to parties  
15 July 2016 02:30 Response reminder sent  
20 July 2016 08:30 Response received  
20 July 2016 08:30 Notification of response sent to parties  
25 July 2016 02:30 Reply reminder sent  
27 July 2016 16:15 Reply received  
28 July 2016 15:21 Notification of reply sent to parties  
28 July 2016 15:21 Mediator appointed  
02 August 2016 14:52 Mediation started  
22 August 2016 14:59 Mediation failed  
22 August 2016 15:01 Close of mediation documents sent  
30 August 2016 10:01 Expert decision payment received

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

The Complainant is part of the Virgin Group and owns and manages its trade marks.

The Virgin Group, founded in 1970, is now engaged in a diverse range of business sectors ranging from transportation and travel to mobile telephony, media, music, radio, fitness, financial services and drinks. In the UK, there are over 20 Virgin branded businesses which employ 30,000 people and have in the region of 18 million customers.

The Complainant owns numerous registered trade marks for “VIRGIN” including European Trade Mark No. 2424885, filed 25 October 2001 in classes 5, 29 and 30.

The Complainant’s use of its trade mark in connection with coffee has included:

- 87 Virgin Active health clubs in the UK operate a café
- Virgin-branded coffee images used on social media in connection with Virgin Atlantic airport lounges in the UK and elsewhere
- coffee-related promotions on Virgin Trains

The Respondent registered the Domain Name on April 28, 2015.

On 29 October 2015, the Respondent incorporated a limited company called Virgin Coffee Limited.

As of 4 November 2015 there was a holding page at the Domain Name which stated: "website coming soon! Please check back soon to see if the site is available".

The Complainant sent a cease and desist letter to the Respondent on 2 December 2015 and a chaser on 4 January 2016 but there was no response to either. The Complainant's solicitors followed up with a further legal letter on 2 February 2016. There then follows various telephone conversations and correspondence between the Respondent and the Complainant's solicitors including:

- A letter from the Respondent dated 6 February 2016 in which the Respondent admitted that he was aware that "Virgin" was a trade mark registered to the Complainant but claimed that his company and Domain Name has not been registered to conflict with the Complainant but with a completely different meaning and context such as "VIRGIN OLIVE OIL, ORGANIC VIRGIN COCONUT OIL, VIRGIN BLACK SEED OIL". The Respondent invited the Complainant to partner with the Respondent or sell its trade mark to the Respondent or take advantage of Nominet's mediation service within the DRS.
- A letter from the Complainant's solicitors dated 14 April 2016 stating that the Complainant was not interested in investing in the Respondent's business or selling its trade marks to the Respondent. The letter asserted that the Respondent had said in a telephone conversation on 31 March 2016 that he intended to either set up a coffee shop or trade in "pure" coffee but that he refused to confirm what steps he had actually taken in setting up the business. The Complainant's solicitors asked the Respondent to provide this information.
- Letters from the Respondent dated 14 and 29 April 2016 (both postmarked 10 May 2016) declining to provide details of "costs and investments" in the business and urging the Complainant to take advantage of Nominet's mediation service.

Since registration of the Domain Name, the Respondent has incorporated four companies dominated by the name "Meerkat" including "Meerkat Café Ltd". The Respondent registered the domain names meerkatrooms.com, meerkatravel.co.uk and meerkatcafe.co.uk in January / February 2016.

The Respondent has been director/shareholder of a further nine dissolved companies, all of which were either voluntarily or compulsorily struck off the Companies Register shortly after incorporation.

## **5. Parties' Contentions**

### Complaint

A summary of the Complaint is as follows:

The Complainant has registered and unregistered rights in the mark "Virgin". The Virgin brand is one of the world's most recognised and respected brands. It has been consistently ranked in the top-ten of most successful, innovative, admired and respected brands by independent survey companies.

The Virgin name has acquired substantial goodwill.

The Domain Name is similar to the Complainant's trade mark, merely adding the generic and purely descriptive term "coffee".

The Domain Name was registered as a blocking registration under registration under paragraph 3(a)(i)(B) of the Policy and/or for the purpose of unfairly disrupting the business of the Complainant under paragraph 3(a)(i)(Complainant). The Respondent has provided no evidence to suggest that he has a legitimate right to use the Virgin name and the Complainant has not licensed him to do so. The Respondent has admitted that he is aware of the Complainant's trade mark.

The Respondent is using or threatening to use the Domain Name in a way which is likely to confuse people or businesses into believing that the Domain Name is connected with the Complainant under paragraph 3(a)(ii) of the Policy. The public is used to seeing the Virgin brand in relation to new products and services. New "Virgin" uses are expected to originate from the Virgin Group. As such, there is a strong likelihood that any third party name incorporating the Virgin name such as, in this case, "Virgin Coffee", will be confused with the goods and services of the Virgin Group. The fact that the Respondent is not currently using the Domain Name does not prevent registration and use of the Domain Name being "abusive". Further, the Domain Name constitutes "initial interest confusion".

The Respondent is not using and never intended to use the Domain Name for a *bona fide* offering of goods and services. This is illustrated by the "Meerkat" domain name and company registrations and by the Respondent's failure to provide any evidence of trade or preparations to use the Domain Name in response to the Complainant's specific request.

The Respondent is engaged in a pattern of registrations which correspond to well-known names or trade marks under paragraph 3(a)(iii) of the Policy. The Respondent's "Meerkat" (plus category) domain names are similar to the [www.comparethemeerkat.com](http://www.comparethemeerkat.com) advertising campaigns which use meerkats in relation to home insurance and travel insurance, amongst other things.

### Response

A summary of the Response is as follows:

The Respondent has "some experience" in the coffee business. The Respondent planned to start a coffee business early last year and set about researching a suitable name, types of coffee beans, coffee wholesalers, coffee machines and set up costs. While searching online, he noticed that one of the wholesalers described the purity of its coffee product as "virgin" and the Respondent really liked this idea.

The Respondent extensively researched the name "Virgin Coffee" and established that there was no UK business using that name and that the Domain Name plus the company name Virgin Coffee Limited were both available. The Respondent felt that this was a good name, which would do well.

The name “Virgin Coffee” does not infringe the Complainant’s rights and the Domain Name is not an abusive registration.

Dictionaries show that the word “virgin” means “natural; organic; pure; raw; uncorrupted; unsullied and/or untouched”.

Many pure and organic products are sold online as “virgin”.

### Reply

A summary of the Reply is as follows:

The Respondent’s examples of sale of “pure and organic” products mostly relate to oil products, not coffee. The Respondent has not produced any evidence that “virgin” is commonly used in the coffee trade or can be regarded as descriptive of coffee, its purity or characteristics.

The Respondent has provided no evidence of his alleged experience in the coffee industry.

The Respondent’s history of company incorporations and domain registrations appear to be inconsistent with the Respondent’s assertions that he is genuinely setting up a business in the field of coffee retail/wholesale. The Respondent has established that he owns some 20 domain names, mostly Meerkat-related but his only active website is for a transport / taxi service.

## **6. Discussions and Findings**

### General

To succeed, the Complainant has to prove in accordance with paragraph 2 of the DRS Policy on the balance of probabilities, first, that it has rights (as defined in paragraph 1 of the DRS Policy) in respect of a name or mark identical or similar to the Domain Name and, second, that the Domain Name, in the hands of the Respondent, is an abusive registration (as defined in paragraph 1 of the DRS Policy).

### Complainant’s Rights

The meaning of “Rights” is defined in the DRS Policy in the following terms:

*“Rights means 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 Complainant has established Rights in the term “Virgin” arising from its registered trade marks. The Complainant has also demonstrated Rights in the form of unregistered trade mark rights in that name deriving from its extensive use.

The trade mark is similar to the Domain Name, which consists of the Complainant's trade mark followed by the generic term "coffee".

### Abusive Registration

Does the Domain Name constitute an Abusive Registration in the hands of the Respondent? Paragraph 1 of the DRS Policy defines "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 took unfair advantage of or was unfairly detrimental to the Complainant's Rights."*

I note the following:

1. The Respondent has admitted that he was aware of the Complainant's mark on registration of the Domain Name. Nor indeed could he credibly have claimed otherwise.
2. It is not in dispute that the Complainant's mark is well-known and that it has been applied to a large and diverse range of goods and services.
3. While the Respondent maintains that there was no business trading under the name "Virgin Coffee" at the time he registered the Domain Name, he does not deny the Complainant's assertion as to the existing connections between the Complainant's mark and coffee.
4. The Respondent has provided no evidence in support of his claim to have "some experience" in the coffee business.
5. The Respondent has provided no details or evidence of any steps taken to set up his allegedly proposed "Virgin Coffee" business aside from formation of the limited company, despite the Complainant specifically challenging him to do so in pre-action correspondence. In response, the Respondent did not claim that he had yet to take such steps but simply refused to provide details of the alleged "costs and investments" in the business.
6. The Complainant has drawn attention to the Respondent's registration of multiple "Meerkat" company and domain names including some which are café-related. The Respondent has not sought to explain these or even deny the Complainant's assertion that these were connected with the well-known meerkat advertising campaigns by the Comparethemarket.com business.
7. Nor has the Respondent explained the circumstances surrounding his incorporation of a further nine companies, all of which were struck off the Companies Register shortly after incorporation.

In my view, the Respondent's "Meerkat" domain names and companies, as well as his company-formation record generally, create the inference that his company Virgin Coffee Limited was incorporated as a defensive move in connection with his registration of the Domain Name and not for a genuine business under that name. This conclusion is reinforced by the lack of any evidence from the Respondent in support of the steps allegedly taken to establish that business or of his alleged experience in the coffee industry generally.

Accordingly, I consider that, on the evidence before me and on the balance of probabilities, the Respondent registered the Domain Name with a view to profiting from the Complainant's trade mark in some way rather than as a descriptive reference to the "purity" of a proposed coffee product and that the Domain Name was therefore registered in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.

## **7. Decision**

I find that the Complainant has Rights in a mark which is similar to the Domain Name and that the Domain Name is, in the hands of the Respondent, an Abusive Registration. I therefore direct that the Domain Name virgincoffee.co.uk be transferred to the Complainant.

Signed: Adam Taylor

Dated: 28 September 2016