



DISPUTE RESOLUTION SERVICE

D00018607

Decision of Independent Expert

J Sainsbury PLC

and

SAIDA KHAFIF

1. The Parties

Lead Complainant: J Sainsbury PLC
33 Holborn
London
London
EC1N 2HT
United Kingdom

Second Complainant: Argos Limited
Avebury
489-499 Avebury Boulevard
Milton Keynes
Buckinghamshire
MK9 2NW
United Kingdom

Respondent: SAIDA KHAFIF
London
United Kingdom

2. The Domain Names

sainsburysargos.co.uk
sainsburysargos.uk

('the Domain Names')

3. Procedural History

Nominet checked that the complaint received on 2 March 2017 complied with its UK Dispute Resolution Service ('DRS') Policy ('the Policy'). It then notified the Respondent and invited her to file a response. That response was received on 21 March. On 30 March, the Complainants replied to the response.

Mediation was attempted but ended unsuccessfully and, on 2 May, Nominet advised both parties that the matter would be referred to an independent expert for a decision, on payment of the appropriate fee. Nominet received that fee on 5 May.

On 7 May I, Mark de Brunner, agreed to serve as an expert under the Policy. I 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 into question my independence in the eyes of one or both of the parties.

4. Factual Background

I have visited the web pages to which the Domain Names resolve, as well as the Complainants' websites at <sainsburys.co.uk> and <argos.co.uk>. From that limited research, the complaint, the response, the reply and the administrative information routinely supplied by Nominet, I accept the following as facts.

The Lead Complainant, a public limited company, is the holding company for the group that trades under the name "Sainsbury's", running supermarkets and local convenience stores as well as selling online. At March 2016 it had 601 supermarkets and 773 convenience stores. With a market share of 16.5%, the group is the UK's second largest supermarket retailer.

Until last year, the Second Complainant was a private limited company, running retail stores and selling online. In the UK it has 840 stores and in 2016 <argos.co.uk> was the second most visited UK retail website, with its website and mobile app together

receiving over 900 million visits. Turnover in the year to 27 February 2016 was some £3.9 billion. In January 2016, the Lead Complainant announced it had made an offer for Home Retail Group, the businesses of which included the Second Complainant's business. It was widely reported in February 2016 that terms had been agreed. The proposed acquisition was cleared by the regulatory authorities in July 2016 and the deal was completed in September, when the Lead Complainant became the parent company of the Second Complainant.

The Lead Complainant holds multiple UK and European trade mark registrations for "Sainsbury's", going back at least as far as 1979. The Second Complainant holds UK and European trade mark registrations for "Argos" and related logos going back, on the evidence before me, to at least 1996.

The Domain Names were registered on 5 February 2016. At 26 January 2017 each resolved to a parking page with the following text

Welcome to: **[sainsburysargos.co.uk] / [sainsburysargos.co.uk]**
This Web page is parked for FREE, courtesy of GoDaddy.com.

and containing 'sponsored listings' and links, none of which relate to the Complainants or their businesses.

Around the same time, the Respondent registered nine other domain names:

sainsburyargos.com
sainsburyargos.info
sainsburyargos.net
sainsburyargos.org

sainsburysargos.co
sainsburysargos.com
sainsburysargos.info
sainsburysargos.net
sainsburysargos.org

5. Parties' Contentions

Complaint

The Complainants argue that

- the Domain Names are a combination of the "Sainsbury's" and "Argos" trade marks

- the "Sainsbury's" element is identical to the trading name used by the Lead Complainant and (apart from the apostrophe) is identical to that complainant's registered trade marks
- the "Argos" element is identical to the company name of the Second Complainant and is identical to its UK trade mark

and that therefore

- the Domain Names are identical to the combined "Sainsbury's" and "Argos" names.

They say the Domain Names are abusive registrations because:

- (i) the Respondent acquired the Domain Names in order to sell them to the Complainants or their competitors at a profit. They argue that the facts are similar to those in relation to <nestleskinhealth.co.uk> (DRS 14372) where the registration of various domain names combining "Nestle" and "Skinhealth" - one day after the announcement of a joint venture between Nestle and L'Oreal under the name "Nestle Skin Health" - was found to be abusive.
- (ii) the Respondent has made no use of the Domain Names
- (iii) the Respondent is engaged in a pattern of registrations where she is the registrant of domain names which correspond to well known names or trademarks in which she has no apparent rights, and the Domain Names are part of that pattern
- (iv) the Domain Names are an exact match (within the limitations of the character set permissible in domain names) for the names or marks in which the Complainants have rights, the Complainants' marks have a reputation and the Respondent has no reasonable justification for having registered the Domain Names.
- (v) the Respondent is unable to rely on any of the factors that may be evidence that a domain name is not an abusive registration. In particular:

- there has been no use or preparations for use of the Domain Names in connection with a genuine offering of goods or services
- the Respondent is not commonly known by or legitimately connected with a name or mark identical or similar to the Domain Names
- the Respondent has not made legitimate non commercial or fair use of the Domain Names
- the Domain Names are not generic and the Respondent is not making fair use of them
- there is no agreement between the parties about the use in the Domain Names of the names in which the Complainants have rights.

Response

The response is brief and I reproduce it in full, as received. It begins with a copy of an email originally sent on 24 November 2016:

Regarding the domains:

We have them on for sale, they have not been used or divert to any website

If your clients are interested in purchasing all the domains, a reasonable offer would be considered.

Thank you

Saida

and continues:

Both solicitors Rachel Cook and Andrew Bayley refused to reply to our email, no response was give for our reply. However we believe that they didn't inform their clients as they will make more fighting the case through legal procedures than to take an offer from us which would have been cheaper and Rachel Cook and Andrew Bayley wouldn't have made as much monies. Rachel Cook and Andrew Bayley need to forward our offer to there clients so that they can decided if they want to give us an offer for all the emails in dispute. This dispute can be resolved with a small fee cheaper than what Rachel Cook and Andrew Bayley are charging there clients.

thank you

Reply

In reply, the Complainants say that nothing in the response constitutes evidence that the Domain Names are not abusive registrations. On the contrary, they argue, the response strengthens the opposite case because it underlines the invitation to the Complainants to make the Respondent an offer for the Domain Names and it is reasonable to infer that the Respondent is seeking more than the original cost to her of registering those Domain Names.

They also point out that the Complainants' solicitors informed the Complainants of the contents of the email of 24 November 2016 as soon as they received it.

6. Discussion and Findings

To succeed in this complaint, the Complainants must prove, on the balance of probabilities, that

- they have rights in respect of a name or mark which is identical or similar to the Domain Names; and that
- the Domain Names, in the hands of the Respondent, are abusive registrations.

Rights

The Complainants evidently have both registered and unregistered rights in the name "sainsbury's" (rights held by the Lead Complainant from before its acquisition of the Second Complainant) and "argos" (rights held by the Lead Complainant as a result of its acquisition and by the Second Complainant).

Ignoring the co.uk and .uk suffixes as generic characteristics of the domain name register, and the apostrophe as an unsupported character, the Domain Names are identical to the names, in combination, in which the Complainants have rights.

I conclude that the Complainants have rights in respect of names or marks which are identical or similar to the Domain Names.

Registration

As defined by the Policy, an abusive registration is a domain name which:

- 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
- has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the complainant's rights.

The Policy contains non-exhaustive lists of factors that may be evidence that a domain name is or is not an abusive registration and the complaint draws extensively on both lists.

The application of the Policy seems to me to be very straightforward here, however. The Respondent registered domain names in which she appears to have had no legitimate interest, involving trade marks belonging to two businesses, shortly after the announcement that one business was proposing to acquire the other. Paragraph 8.4 of the Policy makes clear that trading in domain names for profit is of itself a legitimate activity, but that is of course subject to the over-riding test of whether registration takes unfair advantage of a complainant's rights. In the absence of any other explanation, the only reasonable conclusion seems to me that the Respondent registered the Domain Names in order to sell them at a profit to the Complainants or their competitors. That can only take unfair advantage of their rights.

I paused on just two of the Complainants' arguments: that the Respondent has made no use of the Domain Names and that she is engaged in a pattern of registrations. The Policy (5.2) makes clear that failure on a respondent's part to use a domain name for the purposes of email or a web site is not in itself evidence that that domain name is an abusive registration. As for whether there is a relevant pattern, the answer to that question seems to me to turn on precisely the same point as the answer to the question before me - a circularity that I do not find helpful in reaching a conclusion here.

Those elements aside, I find the Complainants' arguments persuasive. The Respondent is under no obligation to

prove that the Domain Names are not abusive registrations but the Complainants have made out a powerful case that has effectively been left unanswered. Whatever is to be inferred from the non-use of the Domain Names, it seems to me an inevitable conclusion that their original registration took unfair advantage of the Complainants' rights.

7. Decision

I find that the Complainants have rights in respect of names which are identical or similar to the Domain Names and that the Domain Names, in the hands of the Respondent, are abusive registrations.

I therefore direct that the Domain Names be transferred to the Lead Complainant.

Mark de Brunner

17 May 2017