

DISPUTE RESOLUTION SERVICE

D00020554

Decision of Independent Expert

Cambridge Car and Van Rental Ltd

and

Rent Direct

1. The Parties:

Lead Complainant: Cambridge Car and Van Rental Limited
303-305 Newmarket Road
Cambridge
Cambridgeshire
CB5 8JE
United Kingdom

Respondent: Rent Direct Limited
Aspect House
Fenagte
Peterborough
Cambs
PE1 5XG
United Kingdom

2. The Domain Name(s):

cambridgecarandvanhire.co.uk (the "Disputed Domain")

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.

28 August 2018 15:55 Dispute received
29 August 2018 15:42 Complaint validated
29 August 2018 15:51 Notification of complaint sent to parties
17 September 2018 02:30 Response reminder sent
19 September 2018 14:39 Response received
19 September 2018 14:40 Notification of response sent to parties
24 September 2018 02:30 Reply reminder sent
25 September 2018 12:45 Reply received
25 September 2018 12:45 Notification of reply sent to parties
25 September 2018 12:48 Mediator appointed
28 September 2018 12:59 Mediation started
17 October 2018 13:58 Mediation failed
17 October 2018 14:00 Close of mediation documents sent
24 October 2018 12:23 Expert decision payment received
25 October 2018 Michael Silverleaf appointed as expert

4. Factual Background

4.1 The facts and matters set out in this section are taken from the parties' submissions. Where there is factual dispute I indicate below the different positions taken by the parties.

4.2 The complainant was incorporated in October 2015 and carries on business as a vehicle rental company from premises at 303-305 Newmarket Road, Cambridge. According to the complainant it was incorporated to carry on the business previously carried on under the name Cambridge Car and Van Rental from the same premises by a partnership consisting of Mr Martin Buttress and Mrs Debbie Buttress (whom I presume to be husband and wife) since 2006. The respondent has challenged the complainant's right to claim the reputation and goodwill of that business and the complainant has produced in response to that challenged letters from its accountant and from HMRC confirming that the assets and the VAT registration of the partnership were transferred to the complainant shortly after its incorporation. Mr and Mrs Buttress have also been the directors of the complainant since its incorporation.

4.2 The business known as Cambridge Car and Van Rental has used the domain cambridgecarandvanrental.co.uk since 2006 and asserts that there is considerable goodwill associated with the name, branding and domain name. I have not been given any figures for the level of trading or promotion carried on by the business but it is clear from the material submitted that there must have been trade on a

significant scale and, as explained further below, public recognition of the name Cambridge Car and Van Rental as identifying that business.

4.3 The respondent is also a vehicle rental company. Its trading name is Rent Direct and it has a primary website hosted on the domain rentdirectuk.com. The respondent has offices in Peterborough and Cambridge. The respondent's Cambridge premises are less than two miles from those of the complainant. In about March 2015 it registered the Disputed Domain cambridgecarandvanhire.co.uk. It then began hosting a version of its Rent Direct website on that domain as well as its primary domain. The respondent does not advertise itself as Cambridge Car and Van Hire or use that rubric on the website. It simply has a version of its site hosted on the Disputed Domain. The respondent says that it uses the URL as a means to improve its search engine rankings for its Cambridge business. It says that the Cambridge rental market is very competitive and that it is following the practice of other local vehicle rental companies using a URL with key search terms in the title. It also asserts that the URL constituted by the Disputed Domain is entirely descriptive of its business.

4.4 The respondent points to a number of other rental companies in the Cambridge area which use similar domains as follows:

Wallis Rentals	cambridge-car-hire.co.uk
Eastern Rent a Van	cambridgeshirecarhire.com
Cambridge Vehicle Rentals (CVR)	cambridgevehiclerentals.co.uk

I should add that a quick online check shows that in the first two cases the businesses have other websites which match their names. The third obviously matches anyway.

4.5 The complainant provides a number of indicators which it says are indicative of the fact that the use by the respondent of the Disputed Domain is causing confusion. First it points to the numbers of visitors to its website before and after the respondent began using the Disputed Domain. In 2014 it has 61376 visitors, in 2015 65528, in 2016 54350 and in 2017 40441. It says that the reduction leads to a loss of sales.

4.6 The respondent points out that it has been using the Disputed Domain for three and a half years and that the first complaint from the complainant was only a few months ago. The implication is that the problems being caused to the complainant do not really exist. The complainant explains that so far as it is aware no publicity was given by the respondent to its adoption of the Disputed Domain (which is consistent with the respondent's claims that it presents itself as Rent Direct) and that it will therefore have taken time for traffic to the Disputed Domain to build up. The confusion of which the complainant complains was therefore not immediate.

4.7 The complainant says that the use of the Disputed Domain was first raised with it by a customer. The complainant says that at first there was little confusion with occasional customers turning up believing that they had booked with the complainant when in fact they had booked with the respondent and that it was only 12 to 18 months ago that a customer said that they had clicked online on the Disputed Domain when it first became clear to the complainant what was happening. The complainant has produced an example of an online comment (which appears to come from Trustpilot) in which a customer is complaining about having been misled into hiring from the respondent. Interestingly, it seems from the comment that the respondent adopted the same approach to that complaint as to the present one – that it is difficult to be confused as the respondent’s website is clearly branded with its name – only to be admonished by the confused customer for missing the point.

4.8 After it became aware what was happening the complainant says that it sought to raise the matter with the respondent but received no response and was then advised to make a complaint to the Nominet DRS system which it has now done.

5. Parties’ Contentions

5.1 The complainant says that it has a goodwill and reputation under the name Cambridge Car and Van Rental and that the Disputed Domain is confusingly similar to that name with the result that the use by the respondent has caused confusion between the two businesses. It also claims that the Disputed Domain was registered to disrupt its business.

5.2 The respondent asserts that the domain cambridgecarandvanhire.co.uk is purely descriptive and designed to attract a high search engine rating. The complainant points out that use of such a domain is unlikely to help with this endeavour because of the way that Google ranks sites.

5.3 The respondent attacks the complainant’s right to rely upon the previous trading of the partnership using the name Cambridge Car and Van Rental on the basis that the complainant was incorporated after the Disputed Domain was registered and that no link to any previous business has been established. The complainant addressed this by producing clear evidence of the transfer of the business.

5.4 The respondent says that the complainant has produced no evidence of confusion other than anecdotal examples and asserts that none of the indicia of Abusive Registration listed in paragraph 5 of the DRS Policy is applicable because it is using a descriptive name.

6. Discussions and Findings

7.

The DRS Policy

6.1 The DRS Policy applicable to this dispute is Version 4 in force since 1 October 2016. Paragraph 1 defines an 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) is being or has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant’s Rights”.

In the same paragraph Rights are defined 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”.

6.2 Paragraph 2 of the DRS Policy provides as follows:

“2 Dispute to which the DRS applies

2.1 A Respondent must submit to proceedings under the DRS if a Complainant asserts to us, according to the Policy, that:

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

2.1.2 The Domain name, in the hands of the Respondent, is an Abusive Registration.

2.2 The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.”

6.3 Paragraph 5 of the DRS Policy contains a non-exhaustive list of factors which may be evidence that a domain name is an Abusive Registration. They include:

“5.1.1 Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:

...

5.1.1.3 for the purpose of unfairly disrupting the business of the Complainant.

5.1.2 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 by, or otherwise connected with the Complainant.”

These are the factors that I consider to be most directly relevant in the present case.

Rights

6.4 The first question in any DRS dispute is whether the complainant has “Rights” as defined by the DRS Policy. This is a threshold test and readily satisfied. In the present case there can be no dispute that the complainant’s name has a descriptive origin. The name accurately describes the nature of the complainant’s business. It has, however, long been established in the law of passing off that a descriptive name may acquire a secondary meaning as indicating the business of a particular trader. If that is shown, then the trader who has acquired the goodwill associated with that name is entitled to protect himself by an action for passing off against others who appropriate or misuse that goodwill by the use of a confusingly similar name.

6.5 The corollary of this proposition is that, where a trader has acquired a goodwill in a name which is primarily descriptive, the law will be astute to ensure that his protection does not extend to other similar descriptive names which competing traders might legitimately wish to use. In each case, it is for the adjudicator to strike an appropriate balance between the protection of goodwill and the protection of competition by ensuring that descriptive terms are not unreasonably monopolised.

6.6 In this case, I have not found it straightforward to arrive at the correct balance. The complainant’s name is fundamentally descriptive. Against that, however, is the fact that it or its predecessor in business (I reject entirely the respondent’s attack on the claim to historical goodwill) has used the name for over a decade and there is clear evidence, albeit anecdotal, that the name is recognised by members of the public as associated with the complainant’s business.

6.7 In the circumstances, despite the limited direct evidence of reputation and goodwill, it seems to me that the complainant has satisfied the requirement to establish that it has Rights in the name Cambridge Car and Van Rental.

Abusive Registration

6.8 The respondent trades and promotes itself as “Rent Direct”. On the face of it, that is the name that it should wish to use for any presentation of its business. Obviously, it wants to make its online presence as effective as possible and that means using either or both of SEO and paid advertising techniques to ensure that its site is presented near the top of the first page of results when potential customers search for vehicle rental in Cambridge. If use of something like the disputed domain were an established way of doing so, then the respondent’s explanation for registering and using the Disputed Domain might be credible. However, as I understand the evidence, the respondent does not use the Disputed Domain to

resolve to its main website but presents a version of that website hosted on the Disputed Domain. This must reduce the traffic to the main website which ought to be counterproductive. It is therefore difficult to accept the respondent's explanation of the reason for registering and using the Disputed Domain.

6.9 The respondent argues that the Disputed Domain is purely descriptive of its business and references other URLs used by rental companies in and around Cambridge. What it ignores, however, is that the Disputed Domain and the complainant's domain are identical apart from the words "rental" and "hire" at the end of the name. These two words are of course descriptive of the business and are, in practice interchangeable as a matter of language in this context. There is therefore every possibility that members of the public will think that they are the same business.

6.10 Given that the respondent's trading name includes the term "rent" rather than the term "hire", one is immediately drawn to ask why the respondent should switch from one to the other when selecting the Disputed Domain. The respondent has not explained why it did this and the only reason that occurs to me is that the respondent was aware of the complainant's domain and needed something slightly different. If that is the explanation, then one wonders why it apparently did not occur to the respondent that the similarity between the names might cause confusion. The answer to this question appears to be that the respondent believes that the fact that its website is branded Rent Direct is enough to dispel any initial confusion (see the incident referred to in paragraph 4.7 above). The fact that the individual who complained was confused and rejected the respondent's explanation should have led the respondent to appreciate that its belief was ill-founded.

6.11 The respondent also ignores the fact that the other domains are more different from either of the ones in issue here than those domains are from each other. The likelihood of confusion between them is accordingly significantly less. The real problem here is that the two domains will be perceived by a significant proportion of the public as one and the same because they do not distinguish between the terms rental and hire in this context.

6.12 Furthermore, there is evidence that there has been confusion between the two businesses which appears to arise from the use of the Disputed Domain. Not only has an example of an online review been produced by the complainant but the complainant has given evidence that people have thought they were booking with it when in fact they had booked with the respondent.

6.13 The respondent argues that the evidence produced by the complainant is purely anecdotal. But that ignores the evidence of the drop off in visits to the complainant's website over the last 2-3 years. That could be the result of a fall in business generally or it could be the result of traffic being diverted following the setting up of the website on the Disputed Domain by the respondent. The respondent could have produced its own data to show the traffic to its website(s) for comparison. That would allow one to evaluate the likely cause of the drop in traffic

to the complainant's website. Absent such comparison, it seems to me that the most likely cause is diversion of traffic to the Disputed Domain for the reason identified in 6.11 above. So far as I am aware there has not been a massive downturn in the vehicle hire business over the last three years which suggests that the possible alternative cause is relatively unlikely.

6.14 The gradual fall in traffic to the complainant's website over time since the Disputed Domain was first registered and used also disposes of the suggestion by the respondent that the complainant has delayed in seeking redress with the implication that the problem of which it complains is illusory. I see nothing in the timing of the complaint to support that suggestion. Maybe the complainant could have acted more quickly but the time taken in the present case appears to me to be entirely consistent with a small business having many issues to address.

6.15 The complainant has suggested that the respondent's argument that the Disputed Domain will give it better search engine results cannot be correct because of the way Google now avoids giving exact matching domains prominence. I am not able to say whether that is correct and the other domains that the respondent has identified suggest that at least some other traders may share the view that such an approach is valuable. However, the respondent's own evidence that its search results with the Disputed Domain leave it well down the results list suggests that, even if the respondent did think this was a good tactic, it does not work very well. In any event, as I am unable to say whether the complainant is correct, I have given no weight to the suggestion in reaching my conclusion.

6.16 In all the circumstances, it seems to me that on balance, the Disputed Domain is so similar to the complainant's domain name that the public has been confused and that some members of the public have had their business diverted from the complainant to the respondent as a result. I am not able to say to what extent this has occurred but the fact that there have been a number of incidents suggests that the level is more than trivial and is in fact sufficiently significant to have caused harm to the complainant.

6.17 I am also unable to understand why the respondent chose the Disputed Domain when, on its own analysis a domain such as rentdirectcambridge.co.uk ought to have been perfectly suitable, having the benefit of incorporating its trading name and promoting the location. This leads me to suspect that the respondent selected the Disputed Domain well aware that it would disrupt the complainant's business. However, in the light of the fact that I have concluded that the Disputed Domain has caused confusion with the complainant's domain and that the Disputed Domain is therefore in breach of paragraph 5.1.2 of the DRS Policy I do not need to reach a conclusion on this point and therefore decline to do so. I am however fortified that my conclusion that transfer of the Disputed Domain ought not to be damaging to the respondent by the fact that there are alternative domain names that the respondent could select without interfering with the complainant's use of its domain if the respondent wishes to pursue the approach of using domains with particular reference to its Cambridge location.

8. Decision

8.1 I find that the Disputed Domain is an Abusive Registration and direct that it be transferred to the complainant.

Signed
Michael Silverleaf

Dated 7 November 2018