

DISPUTE RESOLUTION SERVICE**D00021240****Decision of Independent Expert**

MatesRates Ltd

and

Garth Piesse

1. The Parties

Complainant: MatesRates Ltd
2 Macdonald Court
Stonehaven
Aberdeenshire
AB39 2AQ
United Kingdom

Respondent: Garth Piesse
New Zealand

2. The Domain Name

matesrates.co.uk

3. Procedural History

- 3.1 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 in to question my independence in the eyes of one or both of the parties.
- 3.2 On 19 March 2019 the dispute was received. On 20 March 2019 the complaint was validated and notification of it sent to the parties. On 8 April 2019 a response reminder was sent, the response received and notification of it sent to the parties. On 11 April 2019 a reply reminder was sent. On 16 April 2019 the reply was received, notification of it was sent to the parties and the mediator appointed. On 17 April 2019 the mediation started. On 30 April 2019 the mediation failed and close of mediation documents were sent. On 13 May 2019 the Complainant was sent a full fee reminder but did not pay the Expert decision fee. On 22 May 2019 the Respondent paid for the decision.

4. Factual Background

- 4.1 The Complainant is a Scottish limited company which was incorporated on 8 January 2009. It provides property maintenance and handyman services and supplies and installs windows and doors in the Inverness area. It uses the domains matesrates.uk.com and matesrateswindows.com to advertise its services.
- 4.2 The Complainant is the owner of the following registered trademarks:

(a) UK00002546617 for 'MatesRates Limited' filed on 5 May 2010, registered in class 37;

(b) UK00003232612 for a figurative 'MatesRates' mark filed on 21 May 2017, registered in classes 37, 42 and 43.

(c) UK00003337112 for a figurative 'MatesRates' mark filed on 9 September 2018, registered in classes 32, 33, 35, 39, 42 and 43.

(d) UK00003372951 for 'Mates Rates' filed on 5 February 2019 (entered on the register on 26 April 2019 after the complaint was filed), registered in classes 32, 33, 35, 37, 39, 42 and 43.

4.3 The Respondent registered the Domain Name on 2 April 2018 and is offering it for sale.

5. The Parties' Contentions

5.1 I set out below a summary of what I consider to be the main contentions of the parties.

The Complainant's complaint

Rights

5.2 The complaint is short. The Complainant asserts that it has Rights because it has been trading for over 5 years, has UK registered trade marks (see above) and is using matesrates.uk.com and matesrateswindows.com.

Abusive Registration

5.3 The Complainant says it recently found out that the Domain Name is not in use, is dormant and is for sale through undeveloped.com for over £2500. The Complainant contends that the Respondent does not have the right to hold or sell the Domain Name because he does not have a company registered or trading in the UK relating to Mates Rates. The Complainant says that if the Domain Name is sold, the services of the buyer may be confused with it and may also infringe its trade marks. The Complainant states that it "would be prepared to offer a fee to obtain said domain but £2500 I am one of the few who could legally use the name."

The Respondent's response

Rights

5.4 The Respondent accepts the Complainant has Rights in the term 'MatesRates' by virtue of its registered trade marks and that this is identical to the Domain Name. However, he does not admit that the Complainant had established any particular degree of public recognition in this mark when the Domain Name was registered.

Abusive Registration

5.5 The Respondent relies on the appeal panel decision in verbatim.co.uk (DRS 4331) that there is a knowledge requirement for an Abusive Registration. The Respondent asserts that while this has been relaxed in the case of bulk purchases of domain names, this does not apply here as he manually selected the Domain Name from a list of domain names that were about to "drop".

5.6 The Respondent says he is in the business of buying and selling generic domain names and refers to paragraph 8.4 of the Nominet Dispute Resolution Service Policy ("the Policy"). He states that he became aware the Domain Name was on a drop list; assumed the previous owner no longer wanted it; and thought it a potentially attractive domain name to have because it reflected a common descriptive/generic term. The Respondent says he owns a number of similar descriptive domain names comprising the terms

'mates'/'friends'/'rates' plus additional descriptive terms. He states that he had it in mind ultimately to sell the Domain Name to someone with an interest in it for whatever reason.

- 5.7 The Respondent says he was not aware of the Complainant on registration of the Domain Name nor was there any reason why he should have heard of it; the Complainant has not asserted that he was aware of it; and he only became aware of the Complainant when it asserted this claim.
- 5.8 The Respondent states the Complainant has provided no evidence of reputation. He says the Complainant's services are local in nature, in Inverness and the surrounding area, whereas he is in New Zealand. The Respondent says the Complainant has acknowledged in an email to him that it was "*still a small company*".
- 5.9 The Respondent contends that 'Mates Rates' is a common generic and descriptive name, meaning preferential terms offered to 'mates'. He relies on the results of a Google UK search for 'Mates Rates'. The Respondent says there are other unrelated UK businesses using this name in a wide range of industries and that there are at least two UK trade marks for 'Mates Rates' which are not owned by the Complainant.
- 5.10 The Respondent asserts the Complainant has not demonstrated that he was aware of the existence of the Complainant when the Domain Name was registered or at commencement of an objectionable use.
- 5.11 The Respondent states that knowledge is, in any case, irrelevant. He relies on the appeal panel decision in *maestro.co.uk* (DRS 4884). He says the Domain Name is a single ordinary English phrase, its meaning has not been displaced by an overwhelming secondary meaning and there is no evidence at all of abuse.
- 5.12 The Respondent makes the following points in answer to the complaint:
 - (a) He confirms that he has used the Domain Name to resolve to a web site offering it for sale and relies on paragraph 5.2 of the Policy.
 - (b) He says that US\$2,500 (not £2,500) is the minimum offer submission required to enter negotiations to acquire the Domain Name via the web site sale page. He says that he did not specifically offer to sell the Domain Name to the Complainant for such a price.
 - (c) He says there is nothing objectionable about offering the Domain Name for sale as it was not acquired for the purpose of sale to the Complainant and in such a case the price sought is irrelevant.
 - (d) He says it is irrelevant that he does not have a company that is registered or trading in the UK relating to Mates Rates; there is no requirement that .uk domain names can only be owned by UK entities.
 - (e) Regarding the Complainant's assertion that the services of any buyer of the Domain Name may be confused with it, the Respondent points out that paragraph 5.1.2 of the Policy is concerned with use or threatened use of the Domain Name by the Respondent, not by a future owner. The Respondent asserts that given the highly generic and descriptive nature of the Domain Name, the overwhelming likelihood is that it will not be used in an abusive manner vis-à-vis the Complainant. He relies on the appeal panel decision in *wiseinsurance.co.uk* (DRS 4889).
 - (f) The Respondent contends that the Complainant's statement "*I am one of the few who could legally use the name*" is wrong for the reasons set out above.

5.13 The Respondent requests a finding of Reverse Domain Name Hijacking for the following reasons:

(a) The Respondent says this is a case which should never have been brought and he has been put to unnecessary cost.

(b) The Respondent asserts there is no evidence whatever of Abusive Registration. He says the gist of the Complainant's case is that a future registrant might use the Domain Name abusively.

(c) The Respondent says that at around the time of filing the complaint, the Complainant sent two somewhat threatening emails to him. He says the Complainant claimed that unless he sold the Domain Name to it at an acceptable price the Complainant would obtain the Domain Name from Nominet "for free".

(d) The Respondent says that not only did the Complainant make overblown claims about its ability to block use of the Domain Name by a future purchaser, it also asserted that Nominet had told it "that things should go in my favour", which the Respondent says seems highly unlikely.

(e) The Respondent asserts that this is akin to the 'plan B' scenario by UDRP panels. He contends the Complainant is using the DRS case, accompanied by baseless claims and threats, as a tool to acquire the Domain Name at a reduced price.

(f) The Respondent submits that the complaint has been filed in bad faith.

The Complainant's reply

5.14 The Complainant's reply is short so I have reproduced it below:

"I have the only company registered in the UK called Mates Rates Ltd. There are other companies registered as Mates Rates are Mates Rates delivery Ltd or the like, so they would use matesratesdelivery.co.uk.

I have been trading for over five years in Inverness shire and have become well known as the company called Mates Rates. We will be expanding throughout the UK soon.

I would be willing to pay for the domain at a price we could agree on.

I have opened this case in good faith that my company has a claim to this domain as it is the only trading company in the UK with that name. I also have trademarks to the name."

6. Discussions and Findings

6.1 Paragraph 2.2 of the Policy sets out that the Complainant is required to prove to the Expert that both of the following elements are present on the balance of probabilities:

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.*

The Complainant's Rights

6.2 Under Paragraph 1 of the Policy, 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."

6.3 The Respondent accepts the Complainant has Rights in the 'MatesRates' mark and that this mark is identical to the Domain Name. He is right to do so. On the basis of the Complainant's registered trade marks, I consider the Complainant has Rights in the

'MatesRates' mark which is identical to the Domain Name (disregarding the .co.uk suffix which may be ignored in these circumstances). I will therefore now turn to consider whether the Domain Name, in the hands of the Respondent, is an Abusive Registration.

Abusive Registration

- 6.4 Under Paragraph 1 of the Policy, Abusive Registration means 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.*
- 6.5 It is sufficient to satisfy either of these limbs for there to be a finding of an Abusive Registration.
- 6.6 Paragraph 5 of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration including:
- 5.1.1 *Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:*
 - 5.1.1.1 *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;*
 - 5.1.1.2 *as a blocking registration against a name or mark in which the Complainant has Rights; or*
 - 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 or authorised by, or otherwise connected with the Complainant.*
 - 5.1.6 *The Domain Name is an exact match (within the limitations of the character set permissible in domain names) for the name or mark in which the Complainant has Rights, the Complainant's mark has a reputation and the Respondent has no reasonable justification for having registered the Domain Name.*
- 6.7 Paragraph 5.2 of the Policy makes it clear that "*Failure on the Respondent's part to use the Domain Name for the purposes of email or a web site is not in itself evidence that the Domain Name is an Abusive Registration.*"
- 6.8 A non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration are set out at paragraph 8 of the Policy including:
- 8.1.2 *The Domain Name is generic or descriptive and the Respondent is making fair use of it*

- 8.4 *Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves lawful activities. The Expert will review each case on its merits*
- 6.9 Unfortunately the Complainant has made no reference whatsoever to the Policy in its submissions or relied on any of the non-exhaustive factors which may be evidence of an Abusive Registration given in the Policy. This is decidedly unhelpful to an Expert, particularly given the brevity of the Complainant's submissions and the lack of supporting evidence.
- 6.10 I consider that the thrust of the Complainant's allegations on Abusive Registration can be summarised as follows:
- (a) The Respondent is not entitled to own the Domain Name because he does not have a company registered or trading in the UK relating to Mates Rates.
 - (b) The Respondent is not entitled to sell the Domain Name because he does not have a company registered or trading in the UK relating to Mates Rates.
 - (c) If the Domain Name is sold, the services of the buyer may be confused with the Complainant and may also infringe its trade marks. It is relevant to this that the Complainant claims to be well known as the company called 'MatesRates' (at least in the Inverness area) and to be the only trading company in the UK with that name.
- 6.11 The assertion in paragraph 6.10(a) can be rapidly dismissed; there are no ownership requirements for a .uk domain. In relation to paragraph 6.10(b), as paragraph 8.4 of the Policy makes clear, trading in domain names for profit, which is the Respondent's business, is a lawful activity and the Expert will review each case on its merits. In this case, as I explain further below, the descriptive nature of the Domain Name is relevant to the merits. In relation to paragraph 6.10(c) this appears to be an assertion that the Domain Name could be used by a purchaser so as to cause confusion. As the Respondent has rightly identified paragraph 5.1.2 of the Policy relates to the Respondent's confusing use of the Domain Name, not that of any potential purchaser. It would, however, be a factor which is evidence of an Abusive Registration under paragraph 5.1.1.1 of the Policy if the Respondent registered the Domain Name primarily for the purposes of selling it to the Complainant or a competitor of the Complainant.
- 6.12 Paragraph 5.1.1 of the Policy relates to the Respondent's motives for registering the Domain Name. For any of the circumstances in this paragraph to apply, the Complainant needs to show, on the balance of probabilities, that the Respondent was aware of the Complainant or its trade mark when he registered the Domain Name. This requirement for knowledge was set out in the appeal panel decision in *verbatim.co.uk* (DRS 4331): *"...for this complaint to succeed, the Complainant must satisfy the Panel, as an opener, that the Respondent was aware of the existence of the Complainant or its brand at the date of registration of the Domain Name or at commencement of an objectionable use of the Domain Name."*
- 6.13 The Respondent says he registered the Domain Name because it reflected a common descriptive/generic term, that he had it in mind ultimately to sell the Domain Name to someone with an interest in it for whatever reason and that he had never heard of the Complainant until it asserted this claim.
- 6.14 The Complainant carries on business in the Inverness area; the Respondent is based in New Zealand. The Complainant says that it has *"been trading for over five years in Inverness shire and have become well knowing as the company called Mates Rates"*. However, it has not adduced any evidence whatsoever in support of this statement such

as details of turnover, company accounts or press coverage. Indeed, the only evidence adduced by the Complainant is a recent quotation for gutter repair work for less than £1000. There is nothing before me to explain how someone in New Zealand would know of the Complainant or its brand when the Domain Name was registered.

- 6.15 Further the Respondent has produced evidence, which I accept, that ‘mates rates’ is a descriptive term in the English language used to describe a discount or preferential terms offered to friends by the seller of a product or service. This presents a further difficulty for the Complainant’s case as explained in the answer to the question “*Can use of a purely generic or descriptive term be abusive?*” at Paragraph 4.10 of the Experts’ Overview:

“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. See the Appeal Panel discussion in DRS 17614 (freebets.uk) for a case which concluded a descriptive term had acquired a secondary meaning and which discusses the applicable principles. 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”.

- 6.16 In this case, there is no evidence of any acquired secondary meaning. Given the geographic distance between the parties, the lack of any evidence of the Complainant’s trading and the descriptive nature of the Domain Name, I accept the Respondent’s account of the registration of the Domain Name and find that the Respondent was unaware of the Complainant or its brand when the Domain Name was registered. The Respondent’s registration of the Domain Name is consistent with his portfolio of other descriptive domain names which incorporate ‘rates’.
- 6.17 However, even if the Respondent was aware of the Complainant when he registered the Domain Name, paragraph 8.4 of the Policy makes it clear that trading in domain names for profit is a lawful activity under the Policy. The Expert is to review each case on its merits and in doing so it is relevant for me to consider whether the Respondent was targeting the Complainant.
- 6.18 The Respondent says he registered the Domain Name, not for sale to the Complainant or a competitor of the Complainant, but for sale to the world at large. I find that entirely credible. In my view there may be many potential purchasers of the Domain Name given its descriptive nature. The Respondent has shown that third parties own registered trade marks for ‘Mates Rates’ and that there are other businesses in a variety of sectors which use this term. It is apparent that ‘Mates Rates’ is capable of use not only as a descriptive term but as a brand, outside the scope of the Complainant’s trade mark registrations. Selling the Domain Name at a profit is a legitimate activity and one which the Respondent is entitled to pursue in the context of the Policy.
- 6.19 I therefore do not find that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

Reverse Domain Name Hijacking

- 6.20 The Respondent has invited me to make a finding of Reverse Domain Name Hijacking. Paragraph 18.7 of the Policy provides that *“If, after considering the submissions, the Expert finds that the complaint was Reverse Domain Name Hijacking, the Expert shall state this finding in the Decision”*. Reverse Domain Name Hijacking is defined in paragraph 1 of the Policy as *“using the DRS in bad faith in an attempt to deprive a Respondent of a Domain Name.”*
- 6.21 The Respondent asserts, in essence, that this is a case that should never have been brought and the Complainant is using the DRS case, accompanied by baseless claims and threats, as a tool to acquire the Domain Name at a reduced price. The Respondent says this is akin to the ‘plan B’ scenario by UDRP panels.
- 6.22 In *dignity.co.uk* (DRS 18931) the appeal panel made the following observations on Reverse Domain Name Hijacking:
- “There are very few full DRS Decisions addressing this issue. There are many more UDRP decisions considering the analogous (and very similarly-defined) issue as it arises in the context of the UDRP, but the Panel places no reliance on those UDRP decisions in accordance with the approach prescribed by the Foreword to Version 3 of the DRS Experts’ Overview (December 2016):*
- “... it should be stressed for the benefit of those who have had experience of domain name disputes under the Uniform Domain Name Dispute Resolution Policy (“UDRP”), that the DRS Policy and the UDRP are different systems. In some places they share very similar wording, but there are significant differences and the citation of UDRP decisions in a dispute under the DRS Policy is rarely likely to be helpful.” “*
- 6.23 I will therefore disregard any decisions on a ‘plan B’ scenario by UDRP panels.
- 6.24 In *mango.co.uk* (DRS 15585), a case involving the same respondent as this dispute, the Expert made a finding of Reverse Domain Name Hijacking as follows:
- “The sequence of events in the present case appears to show that the Complainant attempted to buy <mango.co.uk> from the Respondent. When these negotiations failed the Complainant started proceedings under the DRS. As I have noted, the Complainant has relied on bare assertion and has provided a paucity of evidence to support its arguments.*
- Even a cursory reading of the Policy, Procedure and extensive guidance on Nominet’s website would quickly show that a matter concerning a clearly generic, dictionary term would require a higher standard of argument and evidence than is perhaps common. That the Complainant has failed to come anywhere close to providing sufficient argument or evidence is, in my view, strongly indicative that the Complainant pursued this dispute in frustration at the Respondent’s unwillingness to sell <mango.co.uk> for a price it was willing to pay, rather than because of the merits of its position in terms of the Policy’s requirements.*
- I conclude that the Complainant brought a speculative complaint in bad faith in an attempt to deprive the Respondent of the Domain Names. I therefore determine that the Complainant has engaged in Reverse Domain Name Hijacking.”*
- 6.25 I consider it appropriate to consider the sequence of events in this case.
- 6.26 The complaint was filed on 19 March 2019. As stated above the complaint is short with a paucity of supporting evidence. In the complaint the Complainant expresses a willingness to purchase the Domain Name. It says *“I would be prepared to offer a fee to*

obtain said domain but £2500 I am one of the few who could legally use the name.” Whilst it is entirely sensible and proper to try to negotiate a settlement to a domain name dispute (for example during the mediation stage), the Complainant’s open offer is strikingly prominent in such a short complaint.

- 6.27 Shortly afterwards the Complainant approached the Respondent about the potential purchase of the Domain Name. On 21 March 2019 the Complainant emailed the Respondent stating that it would like to obtain the Domain Name at a price both could agree on stating *“If you don’t come back to me I will use nominet.uk to get the domain from you for free. If you sell the domain to some one other than me I will block them from using the domain”.*
- 6.28 On 22 March 2019 the Complainant sent a further email to the Respondent stating *“Nominet have told me that things should go in my favor regarding there action on the domain as I have MatesRates Ltd and UK trademarks and have been trading in the UK with the name for over 5 years. They have said that it is plane to see that you obtained the domain with a view to sell as you are well knowing for this and have over 7000 domains that you are holding, this will be the case they make. I would rather sort this out with you.”*
- 6.29 The Respondent subsequently filed his response which made clear the deficiencies in the Complainant’s case. Notwithstanding this, the Complainant failed to address them in its reply and instead once more stated its willingness to buy the Domain Name.
- 6.30 I consider the above demonstrates that the Complainant started these proceedings in order to try to pressurise the Respondent into selling the Domain Name to it at a price that it was willing to pay, rather than because of the merits of its position under the Policy. The email of 21 March 2019 is stark in its terms that the Complainant will use *“nominet.uk to get the domain name...for free”* unless the Respondent comes back on a sale. In the email of 22 March 2019 the Complainant states that *“Nominet have told me that things should go in my favor.”* I am sceptical that Nominet said any such thing given the well-established impartiality of Nominet which underpins the DRS process. These emails were clearly sent to present a sale of the Domain Name to the Complainant as the best option, in the context of the DRS dispute.
- 6.31 As in the *Mango* case, the Complainant has made no effort to support its claim and address the fact that the Domain Name comprises a descriptive term. Whilst the Complainant is unrepresented and appears to be a small company, Nominet provides extensive guidance and assistance to parties on its web site. This would quickly have made it clear the evidential burden the Complainant faced when there is a descriptive domain name. In this respect I agree with the comments of the expert in *so31.co.uk* (DRS 16688) regarding an unrepresented complainant as follows:
- "A finding that a complaint has been brought in bad faith is a serious one and suggests some element of wrongdoing rather than mere ignorance or lack of understanding of the Policy. However, I believe that an expert is entitled to assume and to expect a complainant to have at least read the Policy before commencing proceedings. Had the Complainant done so in this case, it would have been aware of the fact that the Respondent is a domain name trader is not enough and the Complaint would almost inevitably fail."*
- 6.32 I consider that the Complainant knew or ought to have known that the complaint would fail and that the complaint was brought to try to pressurise the Respondent into selling the Domain Name to it. That the Complainant did not want to pay for this decision is indicative that it knew it would not be successful. The Complainant has put the

Respondent to costs, time and trouble in responding to the allegations made. I therefore consider the Complainant has used the DRS in bad faith in an attempt to deprive the Respondent of the Domain Name and accordingly make a finding of Reverse Domain Name Hijacking.

7. Decision

- 7.1 The Complainant has failed to establish that the Domain Name is an Abusive Registration. I direct that no action be taken regarding the Domain Name.
- 7.2 I find that the complaint was brought in bad faith in an attempt to deprive the Respondent of the Domain Name and constitutes Reverse Domain Name Hijacking.

Signed Patricia Jones **Dated** 6 June 2019