

DISPUTE RESOLUTION SERVICE

D00015755

Decision of Independent Expert

Bayerische Motoren Werke Aktiengesellschaft

and

Mr Dave Redshaw

1. The Parties:

Lead Complainant:

Bayerische Motoren Werke Aktiengesellschaft
BMW-Haus, Petuelring 130, 80809 Munich
Munich
Germany

Complainant:

Rolls-Royce Motor Cars Limited
BMW-Haus, Petuelring 130, 80809 Munich
Munich
Germany

Respondent:

Mr Dave Redshaw
Advantage Business Centre
MANCHESTER
UK
M4 6DE
United Kingdom

2. The Domain Names:

<bmwclub.org.uk>
<bmwforum.org.uk>
<bmwmotorcycleclub.co.uk>
<bmwownersclub.co.uk>

<bmwownersclub.org.uk>
<minicarclub.co.uk>
<miniownersclub.org.uk>
<rollsroycecarclub.co.uk>
<rollsroyceforum.co.uk>
<rrdc.co.uk>
<rroc.co.uk>

3. Procedural History:

3.1 The procedural timetable in this matter is as follows:

“07 April 2015 11:21 Dispute received
07 April 2015 13:39 Complaint validated
07 April 2015 14:08 Notification of complaint sent to parties
24 April 2015 02:30 Response reminder sent
24 April 2015 15:31 Response received
24 April 2015 15:32 Notification of response sent to parties
30 April 2015 02:30 Reply reminder sent
01 May 2015 11:21 Reply received
01 May 2015 11:23 Notification of reply sent to parties
01 May 2015 11:24 Mediator appointed
07 May 2015 10:18 Mediation started
18 June 2015 15:09 Mediation failed
18 June 2015 15:09 Close of mediation documents sent
30 June 2015 02:30 Complainant full fee reminder sent
01 July 2015 09:01 Expert decision payment received”

3.2 I was appointed as the Expert in this matter on 15 July 2015. I have confirmed to Nominet that I am independent of each of the parties and that 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.

3.3 On 16 July 2015 I was informed by Nominet that the Complainants had filed an additional submission in these proceedings and was provided with a copy of the explanatory paragraph from the Complainants, in accordance with paragraph 13(b) of the DRS Procedure, setting out why that non standard submission should be admitted in these proceedings.

3.4 The Complainants by means of this additional submission sought to bring to my attention a decision that had been given in UDRP proceedings at WIPO involving the Complainants and the Respondent in relation to other domain names registered by the Respondent.

3.5 The UDRP decision is dated 3 July 2015 and I suspect (given the way that matters progress at WIPO) that the Complainants were not aware of it until sometime thereafter. Whether or not these suspicions are correct, the UDRP decision clearly post dates the Complaint and Reply and could not

have been referred to in either document. I also accept that it is potentially of relevance to these proceedings.

- 3.6 I have, therefore, decided to admit this additional submission in these proceedings. However, having done so I have borne in mind that the UDRP and the Policy are different and therefore a finding for or against a party in UDRP proceedings does not necessarily mean that the same result will be reached in equivalent proceedings under the Nominet Policy, even if the circumstances of registration and use of the domain names in question is very similar if not identical in each case.

4. Factual Background

- 4.1 Bayerische Motoren Werke Aktiengesellschaft (“BMW”) is incorporated under the laws of the Federal Republic of Germany. Rolls-Royce Motor Cars Limited (RRMC) is a company incorporated under the laws of England and Wales. RRMC is a wholly-owned subsidiary of BMW. Both companies are part of the well known BMW Group, which, inter alia, manufactures, distributes and markets “BMW”, “Mini” and “Rolls Royce” motor cars. BMW also manufactures, distributes and markets motorcycles.

- 4.2 BMW is the owner of various registered trade marks that comprise or incorporate the terms “BMW” and “Mini”. They include:

- (i) Community Trade Mark number 91835 for the word mark BMW filed on 1 April 1996 (but claiming earlier seniority dates in the United Kingdom) in respect of multiple classes; and
- (ii) Community Trade Mark number 143909 for the word mark MINI filed on 1 April 1996 (but claiming earlier seniority dates in the United Kingdom) in respect of multiple classes

- 4.3 RRMC is the owner of various registered trade marks that comprise or incorporate the terms “Rolls Royce” and “RR”. They include:

- (i) United Kingdom registered trade mark no 870368 filed on 13 October 1964 in class 12, which takes the following form:



- (ii) Community Trade Mark no 3384071 for the word mark ROLLS-ROYCE filed on 2 October 2003 in class 12; and
- (iii) Community Trade no 3381605 filed on 2 October 2003 in class 12, which takes the following form:



4.4 Websites for official Rolls Royce owner clubs have at the relevant times operated from the <rrec.org.uk> and <rroc.org> domain names.

4.5 The Respondent is an individual who also trades under the names “Media Group 24” and “Auto Crowd Group”.

4.6 The Respondent registered the Domain Names (in date order) on the following dates:

<bmwownersclub.org.uk>	25-03-2011
<miniownersclub.org.uk>	25-03-2011
<bmwforum.org.uk>	21-05-2013
<rollsroyceforum.co.uk>	09-07-2013
<bmwownersclub.co.uk>	27-07-2013
<rroc.co.uk>	15-10-2013
<rfdc.co.uk>	21-11-2013
<minicarclub.co.uk>	04-02-2014
<bmwcarclub.org.uk>	14-02-2014
<rollsroycecarclub.co.uk>	17-02-2014
<bmwmotorcycleclub.co.uk>	01-10-2014

4.7 On 18 October 2013 the Respondent also applied for a UK registered trade mark in the term RROC for various advertising, marketing and internet relates services in class 35 (the “RROC Trade Mark”). The RROC Trade Mark proceeded to grant on 24 January 2014.

4.8 All but two of the Domain Names have been used by the Respondent for websites that promote car or motorcycle clubs for owners of Rolls Royce, BMW or Mini vehicles. The Domain Names that do not are <rfdc.co.uk> and <rroc.co.uk>, which appear to have been held passively.

4.9 There are a large number of other domain names that have been registered by the Respondent that incorporate the terms “BMW”, “Mini” or “Rolls Royce”. They include <rollsroyceownersclub.co.uk>, which was registered on 24 January 2011 and <rollsroycecardalers.co.uk> which was registered on 10 November 2012. They also include the following domain names, registered on the following dates:

<bmwenthusiastsclub.com>	21-08-2012
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<minienthusiastsclub.com>	24-08-2012
<rollsroyceenthusiastsclub.com>	24-08-2012
<miniownersclub.net>	20-09-2013
<bmwmotorcycle.club>	25-09-2014
<bmwowners.club>	07-05-2014
<rollsroyceowners.club>	07-05-2014
<miniowners.club>	08-05-2014

(referred to collectively in this decision as the “Non-UK Domains”)

- 4.10 The Respondent also operates a large number of similar sites from domain names that incorporate the brand names of other motor car and motorcycle manufactures.
- 4.11 The various websites operating from the Domain Names have at various times incorporated advertisements and links to websites operating from domain names registered in the name of the Respondent or one of his trading names. These have included:
- (i) <carclubmarketing.com>, used for a website provided advertising/marketing services;
 - (ii) <dating-website.org.uk>, used for a website providing a directory of dating websites; and
 - (iii) <car-trackers.net>, used for a website promoting various car tracking products.
- 4.12 The various websites operating from the Domain Names have also incorporated advertisements for products and services such as car cleaning products and insurance offered by third parties.
- 4.13 Prior to 17 September 2014, the websites then operating from the Domain Names incorporated the BMW, Rolls Royce and Mini logo’s of the Complainants.
- 4.14 On 17 September 2014 the Complainants’ lawyers sent a letter before action to the Respondent complaining about the Domain Names (and a number of similar domain names registered in the “.com”, “.club” and “.net” registries) and the use being made of the same. In that letter the Complainants also complained about what it described as confusing wording that appeared on these sites and suggested alternative wording that might be used instead.
- 4.15 On 18 September 2014, the Respondent telephoned the Complainants’ lawyers. During the telephone conversation that followed the Respondent explained that he ran 80 clubs with “upward of 15,000 members worldwide”. According to the Respondent, these clubs made available free membership but membership fees were also sought. He stated that he would make changes to the “confusing wording” complained about and was in the process of removing the Complainants’ logos that appeared on

the websites. During that conversation the Respondent also mentioned that ITV had paid him compensation when he had transferred “a Men and Motors domain name to them”.

4.16 On 6 October 2014, the Respondent sent an email to the Complainants’ lawyers. In that email he offered to sell the Domain Names, together with other BMW, Mini and Rolls Royce related domain names and the RROC Trade Mark, to the Complainants for £440,000.

4.17 On 3 November 2014, the Complainants’ lawyers stated in an email that their clients were prepared to pay the Respondent’s documented out of pocket cost of registering the domain names and any subsequent renewal costs. The Respondent responded the following day asserting that:

“a reasonable price would be £5000 per site based on 15 sites total of £75,000 or give me car/cars to the same value.”

4.18 On 2 April 2015, the Complainants filed proceedings under the UDRP at WIPO against the Respondent in relation to the Non-UK Domains (case no D2015-0589). In a decision dated 3 July 2015 the panel in that case held, inter alia, that the Non-UK Domains had been both registered and used in bad faith.

5. Parties’ Contentions

Complaint

- 5.1 The Complainants refers to their registered trade marks and bring forward evidence to the effect that the Complainants are the owner of substantial goodwill in each of the terms “BMW”, “Mini” and “Rolls Royce”.
- 5.2 The Complainants contend that each of the Domain Names is identical or confusingly similar to at least one of the Complainants’ trade marks in that they for the most part comprise one of the terms “BMW”, “Mini”, “Rolls Royce” or “RR” in combination with “generic wording”. In this respect “rroc” in the <rroc.co.uk> Domain Name is said to stand for “Rolls Royce Owners Club” and “rrdc” in the <rrdc.co.uk> Domain Name is said to stand for “Rolls Royce Drivers Club”.
- 5.3 The Complainants contend that the Respondent is not and never has been connected to the Complainants’ business and the Complainants have not licensed, authorised or otherwise permitted or approved the Respondent or his associates to use the Complainants’ Trade Marks.
- 5.4 The Complainants explain at some length the form that the websites operating from the Domain Names have taken.
- 5.5 The Complainants refer to discussions that took place between the Complainants’ lawyers and the Respondent and the fact that as part of these discussions the Respondent offered to sell the Domain Names to the Complainants. This is said to be evidence that the Domain Names were

registered primarily for the purposes of selling, renting or otherwise transferring the Domain Names that falls within the scope of paragraph 3(a)(i)(A) of the DRS Policy.

- 5.6 Further, the Complainants also rely upon the fact that the <rrdc.co.uk> and <rroc.co.uk> Domain Names (as well as the <rollsroycecardealers.co.uk> domain name that is not part of these proceedings) do not lead to active websites is said to support that conclusion.
- 5.7 So far as the clubs that are operating from websites associated with the Domain Names are concerned, the Complainants contend that the multitude of commercial links provided on those websites and other commercial activity on the sites makes it clear that the central purpose is to generate income through the websites. This it is said to show that the Domain Names were “registered for the purpose of unfairly disrupting the business of the Complainant[s]” within the scope of paragraph 3(a)(i)(C) of the DRS Policy. In this respect the Complainants contend this case is similar to that of DRS 00389 (scoobydoo.co.uk) where although the respondent purported to operate a fan site, the respondent sold Scooby Doo merchandise and offered ‘scoobydoo.co.uk’ email addresses to internet users. The Complainants also rely upon the decision of the appeal panel in DRS 07991 (toshiba-laptop-battery.co.uk).
- 5.8 The Complainants also contend that the Respondent has used the Domain Names in a way that has confused or is likely to confuse people or businesses into believing that the Domain Names are registered to, operated or authorised by, or otherwise connected with the Complainants; i.e. within the scope of 3(a)(ii) of the DRS Policy. They claim that the reputation of the Complainants is such that web traffic to the Domain Names must intend and expect to find the Complainants’ website or a website authorised or approved by the Complainants. In this respect the Complainants refer to an email from the Respondent dated 6 October 2014 in which the Respondent provided details of the “total monthly searches” undertaken in relation to various search terms which was said to explain “why [he] use[d] all the domain names”.
- 5.9 It is also claimed that the Domain Names <rrdc.co.uk> and <rroc.co.uk> are particularly confusing because of their similarity to the <rrec.org.uk> and <rroc.org> domain names used for official Rolls Royce car clubs.
- 5.10 Further, the large number of domain names registered by the Respondent is said to evidence a pattern of registrations within the scope of paragraph 3(a)(iii) of the DRS Policy and/or that the Domain Names have been registered primarily as blocking registrations and that such registrations fall within the scope of paragraph 3(a)(i)B of the DRS Policy.

Response

- 5.11 The Respondent claims to have a passion for cars, motorcycles and yachts and that he registered the Domain Names in connection with his car club network. He states that he started his first club under the domain name

<lotusownersclub.com> in April 2005 when he was the owner of a Lotus Elise. He now operates over 70 of these clubs which are stated to link to a single members area. The reasons for this are stated to be as follows:

“The benefit of this for example; as a BMW owner you become our member however you are an enthusiast of Rolls Royce, Bentley etc so you can also get involved in these clubs.

5.12 The Respondent claims that his clubs are operated “not for profit” and the membership is split 90%:10% between free members and paid for members. The Respondent admits that pay per click advertising appears on these sites but states that this is used to pay for the club overheads.

5.13 He claims that his sites are different from many official car clubs which charge substantial membership fees. Much of the Response is then devoted to a comparison between how these official clubs operate and the Respondent’s clubs operate. Essentially the Respondent appears to contend that what the Complainants are now complaining about is activity that these official car clubs also engage in.

5.14 The Respondent asserts that the following 5 Domain Names were registered “for their generic descriptive nature and to organic traffic”:

<rollsroyceforum.co.uk>
<bmwcarclub.org.uk>
<bmwforum.org.uk>
<minicarclub.co.uk>
<bmwmotorcycleclub.co.uk>

5.15 The Respondent also seems to allege that the Complainants have in some manner approved of the Respondent’s activities because having registered with the BMW and Rolls Royce press media centres they have “supply[ied] us with press releases, videos and photos to promote on our club website”. A print out showing the Respondent’s account at the Rolls-Royce Motor Card Press Club is provided as evidence in this respect. The Respondent also provides evidence that he has used an email address that incorporates the Domain Name <rollsroyceownersclub.co.uk> in respect of that account. The Respondent also refers to Twitter documentation that is said to show that the Rolls Royce Motors Official Twitter account and the Rolls Royce Media Twitter account has in some manner acknowledged or accepted the Respondent’s Rolls Royce Owners Club.

5.16 The Respondent also refers to LinkedIn connections with various RRM and BMW staff and the fact that in September 2014 he was invited to a champagne reception organised by RRM at the Paris Motor show. A document with the heading “Media Invitation” is provided as evidence in this respect.

5.17 The Respondent denies that anyone is confused by his clubs because it is said to be commonly known that such clubs are operated by enthusiasts such as the Respondent. Further, he claims that the use made by him of

the Complainants' marks is permitted under section 11(2)(c) of the Trade Marks Act 1994.

- 5.18 The Respondent refers to changes he made to his websites after receiving the Complainants' lawyers letters including the addition of disclaimers. In this respect the Respondent refers to small text at the bottom of each website that states that the website "has no official association" with BMW, Mini or Rolls Royce.
- 5.19 The Respondent states that the compensation paid to him by ITV in relation to the "Men and Motors" domain name was in respect of "reasonable costs". The offer to sell the Domain Names for £400,000 is stated to be "a figure randomly configured as I did not want to sell my clubs". The later figure of "£5,000 per site" is expressed to be a fair price given the work that the Respondent had undertaken on these sites.
- 5.20 The Respondent denies that he has free ridden of the Complainants' reputation contending that on the contrary he has promoted the Complainants' products. The Respondent also gives further details of the nature of the commercial links on his sites and the other websites of the Respondent to which these sites link.

Reply

- 5.21 In their Reply the Complainants deny that the fact the Respondent has signed up to the Rolls Press Club involves any approval of the Respondent's activities. They claim that the various press releases sent out to the Respondent among others are sent by automated programs that do not analyse the email address or website name provided. Therefore, the provision of this material cannot be said to equate to knowledge of, or consent to, the Respondent's domain name and website activities. Further, the Complainants claim that the use made by the Respondent of the material sent to him is contrary to the terms and conditions that are said to apply to its provision.
- 5.22 The Complainants also deny that the persons who were connected with the Respondent on LinkedIn had knowledge of the Respondent's activities

6. Discussions and Findings

General

- 6.1 To succeed under Nominet DRS Policy (the "Policy"), the Complainants must prove first, that they have Rights in respect of a "name or mark" that is identical or similar to the Domain Names (paragraph 2(a)(i) of the Policy) and second, that the Domain Names are Abusive Registrations in the hands of the Respondent (paragraph 2(a)(ii) of the Policy). The Complainants must prove to the expert that both elements are present on the balance of probabilities (paragraph 2(b) of the Policy).

6.2 Abusive Registration is defined in paragraph 1 of the Policy in the following terms:

"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) has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights."

Complainant's Rights

6.3 The Domain Names <bmwclub.org.uk>, <bmwforum.org.uk>, <bmwmotorcycleclub.co.uk>, <bmwownersclub.co.uk> and <bmwownersclub.org.uk> can only be sensibly read as the term "BMW" in combination with ordinary English words. The Complainants clearly have registered trade mark rights in word BMW. Accordingly, the Domain Name are similar (as that term is understood under the DRS Policy) to the Complainants' BMW word trade marks.

6.4 For similar reasons the Domain Names <rollsroycecarclub.co.uk> and <rollsroyceforum.co.uk> are similar to the Complainants' registered trade mark for the word mark ROLLS ROYCE and the Domain Names <miniownersclub.org.uk> and <miniownersclub.org.uk> are similar to the Complainants MINI word trade marks.

6.5 The position in relation to <rroc.co.uk> and <rrdc.co.uk> is slightly more complicated in that the Complainants do not purport to have a trade mark for the letters "RR" alone as a word mark. However, they do possess a design mark in which the letters "RR" are very prominent (i.e. the mark identified in paragraph 4.2(i) above) and a further mark which comprises an arrangement of the letters "RR" and nothing more (i.e. the mark identified in paragraph 4.2(iii)). Further, the requirement that a complainant show that it has rights in a name or mark that is similar to the domain name complained about is a "relatively low-level test", the objective of which is "simply to demonstrate a bona fide basis for making the complaint"; see section 2.3 of version 2 of the Expert's Overview (the "Expert Overview"). Accordingly, I conclude that these two Domain Names are similar to these marks for the purposes of the Policy.

6.6 In the circumstances, the Complainants have made out the requirements of paragraph 2(a)(i) of the Policy.

Abusive Registration

- 6.7 The Respondent contends that he has used all but two of the Domain Names in connection with various clubs or websites for enthusiasts for BMW, Rolls Royce and Mini motor vehicles.
- 6.8 I accept that if the Respondent's use of Domain Names that incorporated the Complainants' marks has been with the knowledge and active consent or encouragement of the Complainants, it would be difficult to characterise such use as abusive (at least as long as that consent remained). However, the Respondent's evidence gets nowhere close to showing this. Essentially, the Respondent has been able to show that he has been the recipient of various marketing materials from the Complainants as a result of signing up to certain automated distribution lists. This is insufficient to establish that the Complainants actively consented to, or encouraged, the registration and use of domain names that incorporated their marks. The same goes for the fact that certain individuals that work for one of the Complainants have accepted the Respondent's LinkedIn requests.
- 6.9 It is, therefore, necessary to address the question whether the use made of these Domain Names in the absence of such consent has been abusive.
- 6.10 The Respondent contends that his activities do not constitute trade mark infringement and claims that his activities fall within the scope of section 11(2)(c) of the Trade Marks Act 1994. This provides that there is no infringement where:
- “the use of the trade mark where it is necessary to indicate the intended purpose of a product or service, ... provided the use is in accordance with honest practices in industrial or commercial matter”
- 6.11 I do not accept that it is helpful or necessary in this case to consider whether the Respondent's activities constitute trade mark infringement. As is recorded in the Forward to the Experts' Overview:
- “Disputes are decided by reference to the terms of the Policy, not the law, so the fact that a domain name registration and/or the registrant's use of it may constitute trade mark infringement, for example, will not necessarily lead to a finding of Abusive Registration under the DRS Policy.”
- 6.12 This was accepted, for example, to be the position by the Appeal Panel in DRS 4479 <champagne.co.uk>.
- 6.13 However, the Respondent's appeal to this section of the section 11(2) Act does raise the questions of whether his activity in this case amounts to fair use for the purposes of the Policy. In essence, the Respondent contends that he is engaged in activity that takes the form of or is similar to the operation of a fan site.
- 6.14 Paragraph 4(a) of the Policy identifies among a non-exhaustive list of factors “which may be evidence that the Domain Name is not an Abusive

Registration”, “legitimate non-commercial or fair use of the Domain Name”. Paragraph 4(b) states that:

“Fair use may include sites operated solely in tribute to or in criticism of a person or business.”

6.15 The issue of whether the inclusion of a trade mark in a domain name used for a criticism or tribute site constitutes fair use is addressed at some length in section 4.8 of the Expert Overview. As the discussion in the section identifies many of the key decisions on this issue (including DRS 00389 (scoobydoo.co.uk) relied upon by the Complainants), it is convenient in this case to set out that discussion in full. It reads as follows:

“4.8 Do tribute and criticism sites necessarily constitute fair use unless proved otherwise? [Paragraph 4(b) of the Policy]

No. Paragraph 4(b) of the Policy provides that “Fair use may include sites operated solely in tribute to or in criticism of a person or business”. Note the use of the words “may” and “solely” – it will depend on the facts.

If, for example, commercial activity beyond that normally associated with a bona fide fan site takes place, the registration may be abusive. See the Appeal decision in DRS 00389 (scoobydoo.co.uk) or the decision in DRS 08527 (ihateryanair.co.uk) and the commentary on the latter in DRS 11271 (opticalexpressruinedmylife.co.uk).

Note also that the use of the word “may” means that even if a site is operated solely as a tribute or criticism site it is still open to the Expert to find that it is abusive. In assessing the fairness or otherwise of the use, the Expert needs to have regard to both the nature of the domain name in dispute and its use. Some decisions in the past have concentrated solely upon whether the site fairly pays tribute to or criticises the Complainant (often a very difficult thing for an expert to assess in a proceeding of this kind).

The appeal decision in DRS 06284 (rayden-engineering.co.uk) confirmed the consensus view among experts today that the nature of the domain name is crucial to the exercise. A criticism site linked to a domain name such as <ihateComplainant.co.uk>. has a much better chance of being regarded as fair use of the domain name than one connected to <Complainant.co.uk>. The former flags up clearly what the visitor is likely to find at the site, whereas the latter is likely to be believed to be a domain name of or authorised by the Complainant. But, again, note the decisions in DRS 08527 Version 2 – Published November 2013 19 (ihateryanair.co.uk) and DRS 11271 (opticalexpressruinedmylife.co.uk) regarding commercial activity on criticism sites. Each case will depend upon its facts.

In DRS 06284 the domain name was identical to the name in which the Complainant had rights. A modified name that made it clear that this was a protest site would presumably have been less successful in drawing the protest to the attention of customers of the Complainant. The Panel concluded there was a balance to be drawn between the right to protest (which could be effected via a modified name) and the Complainant's rights in its own name, and that in this case at least the latter outweighed the former. Note that the Panel did not rule that use of an identical name would always and automatically be unfair, but did conclude that it was only in exceptional circumstances that such use could be fair. The Panel declined to find that such exceptional circumstances existed in the case in question.”

6.16 The Domain Names in this case do not comprise the Complainants’ trade marks alone, but additional words such as “club” and “forum”. However, these additional words, in contrast to such words as “I hate” and “sucks”, do not immediately flag up to the internet users that the associated websites are likely to be unconnected with the Complainants. In the circumstances, internet users are likely to be drawn to these sites because of the perceived connection with the Complainants.

6.17 This is usually sufficient to justify a finding of abuse registration. As is recorded at paragraph 3.3. of the Expert Overview:

“In such cases, the speculative visitor to the registrant’s web site will be visiting it in the hope and expectation that the web site is a web site “operated or authorised by, or otherwise connected with the Complainant.” This is what is known as ‘initial interest confusion’ and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived. Having drawn the visitor to the site, the visitor may well be faced with an unauthorised tribute or criticism site (usually the latter) devoted to the Complainant; or a commercial web site, which may or may not advertise goods or services similar to those produced by the Complainant. Either way, the visitor will have been sucked in/deceived by the domain name.¹”

6.18 The Respondent contends that it is commonly known and accepted that Car Owners Clubs, Car Enthusiasts Clubs and Car Forums are owned and run by enthusiasts. In this respect he refers to an article on Wikipedia. That article is not annexed to the Response and there are well known dangers

¹ The Expert Overview goes on to cite the decision of *Och-Ziff Management Europe Ltd v Och Capital LLP* [2010] EWHC 2599 as a case where this concept of initial interest confusion found favour with the courts in a case involving allegations of trade mark infringement and passing off. Recently the Court of Appeal in *Interflora v Marks & Spencer* [2014] EWCA Civ 1403 has suggested that it is unhelpful to import this doctrine into trade mark law. However, I believe that the statement in the Expert Overview that “the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration” remains correct.

associated with reliance on statements made in online editable articles of this sort. I have nevertheless looked at the article.

- 6.19 The article does indeed appear to support that claim that there are many independent enthusiast car clubs in existence. However, there is little in the article that would support the contention (if that is even what is being claimed) that an internet user seeing a domain name such as <bmwcarclub.co.uk> would immediately conclude that it was being used for a BMW enthusiast website that was not authorised by BMW. Although the article asserts that such clubs increasingly have an online presence, there simply is no discussion of what form the domain names for those websites might take.
- 6.20 Further, even if the Domain Names used by the Respondent would be perceived as being unconnected with the Complainants, the extensive commercial activity that is being undertaken on these sites leads to the conclusion that there is abusive registration in this case in any event.
- 6.21 The question of the extent to which a criticism or tribute site could legitimately engage in commercial activity was considered by the Appeal Panel in DRS 11271 (opticalexpressruinedmylife.co.uk). In that case the panel refused to conclude that an advertisement that generated income of £500 a month, was sufficient to justify a finding of abusive registration. In doing so it stated as follows:
- “The Panel cannot (nor does it seek to) lay down a hard and fast rule as to whether the receipt of advertising or other commercial revenue will render a registration which is being used in respect of what is otherwise a bona fide protest site, abusive. It is likely to be a question of fact and degree and need assessing on a case by case basis. Inevitably, there will be circumstances where an expert may reasonably come to the conclusion that charging for an advertisement or some other commercial link renders abusive what would otherwise be non-abusive. However, in this case the Panel adopts the view of both experts who have issued decisions in relation to the Domain Name to the effect that one must adopt a proportionate approach. Where, as is the case here, the advertisement so naturally fits in with the Respondent’s campaigning objective and the income received is relatively modest, and the Respondent is clearly expending very significant time and effort, and presumably at least some out of pocket costs, in promoting her campaign (including operating these websites), it would in the opinion of this Panel be unreasonable to brand this use of the Domain Name as abusive.”
- 6.22 In the present case there is not just revenue being generated from a single advertisement. Instead there are multiple advertisements that have appeared on the relevant websites. These have been used to promote not only third party products and services but also the other websites of the Respondent that are clearly commercial. Membership fees are also sought and accepted (although free membership is also on offer).

- 6.23 The Respondent contends that the revenues generated from these various sources simply cover the costs of operating the websites and that he does not make a profit from these websites, but no figures are disclosed or evidence provided in this respect. Also regardless of whether the sites are or are not profit making at present, it is reasonably clear from the extent of the commercial activity on the websites that the Respondent has endeavoured to run the sites as a significant commercial enterprise.
- 6.24 In short, this is not a case where the advertising or commercial activity can be dismissed as merely incidental to a non-commercial purpose. It is a significant part of the activity being undertaken on these sites and it is difficult to avoid the conclusion that these sites have been set up and operated with a view to the Respondent's personal financial gain.
- 6.25 That conclusion is also reinforced in this case by the fact that the Respondent has clearly been willing to sell the Domain Names and their associated websites to the Complainants in return for the payment significant sums of money. The Respondent contends that he didn't want to sell the Domain Names, which is why he initially suggested a figure of £400,000. However, the claim that he had little interest in selling the Domain Names is difficult to reconcile with what appears to be the undisputed fact that the Respondent made a point of informing the Complainants' lawyers that he has previously sold a domain name to ITV. Also when the Complainants offered to reimburse the Respondent's out of pocket registration expenses, rather than simply reject this, the Respondent made a counteroffer of £5,000 per Domain Name within 24 hours; a figure which he continues to maintain is a "fair price" for the work he has put into the relevant websites.
- 6.26 A further important factor in this case is that although the Respondent refers to his clubs, it does not appear to be the case that there are in any meaningful sense a separate and self contained club in existence in respect of each and every Domain Name that is being used. For example, each of the Domain Names <bmwforum.org.uk>, <bmwmotorcycleclub.co.uk>, <bmwownersclub.co.uk> and <bmwownersclub.org.uk> appear to have been used for websites that have separate home pages. However, there is no evidence that these really operate as separate entities. On the contrary, the Respondent appears to readily admit that all of these various pages and link through to a "single members' area" that is used for all of the Respondent's 70+ clubs.
- 6.27 In other words, the Respondent's own evidence appears to be that each of these Domain Names is being used for websites that provide different portals to what in reality is a single "club" enterprise in respect of multiple vehicle brands.
- 6.28 In this respect, I agree with the Complainants that the discussion of the appeal panel in DRS 07991 <toshiba-laptop-battery.co.uk> is also relevant (the "Toshiba Case"). In the Toshiba Case the Respondent was using a domain name that incorporated the TOSHIBA mark to sell batteries

manufactured by various entities that were designed for use in Toshiba laptops. In that decision the panel considered the appeal panel decisions in DRS 00248 <seiko-shop.co.uk> and DRS 03027 <epson-inkjet-cartridge.co.uk>, which each involved the incorporation by resellers of trade marks into Internet domain names.

6.29 It also examined parallel case law under the UDRP commenting (on page 14) as follows:

“In looking at relevant decisions under the UDRP, care must be taken because the tests under the UDRP are different from those under the Policy. However, in *Okidata America -v- ASD* [WIPO] D2001-0903 the Panel attempted to lay down criteria for the incorporation by a reseller of the trade mark owner’s mark, which have been followed in numerous other cases. The criteria are that:

- a) the respondent must actually be offering the goods or services at issue;
- b) the respondent must use the site only to sell the trade marked goods, otherwise it could be using the trade mark to “bait” customers and then offer them other goods;
- c) the site must accurately disclose the respondent’s relationship with the trade mark owner (i.e. must not falsely claim to be an official site);
- d) the respondent must not try to corner the market in relevant domain names, thus depriving the trade mark owner of the opportunity of reflecting its own mark in a domain name.

Broadly speaking, these four criteria are consistent with the principles of the two DRS appeal decisions discussed [i.e. DRS 00248 <seiko-shop.co.uk> and DRS 03027 <epson-inkjet-cartridge.co.uk>] which can be summarised as follows:

1. It is not automatically unfair for a reseller to incorporate a trade mark 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.

- 6.30 The current case is obviously not a reseller case. However, both the fan site and reseller cases at their heart address the same issue; i.e. to what extent it is fair and reasonable under the Policy to use a mark that you do not own as part of a domain name for a website that refers in some manner the trade mark owner's goods or services.
- 6.31 With this in mind the reseller cases suggest that there are two further aspects of the Respondent's activities which support a finding of abusive registration. First, there is the fact that the Respondent has registered multiple domain names that incorporate each of the Complainants' marks. Whether or not this might be fairly characterised (in the words of the Oki Data case) as an attempt to "corner the market" is questionable, but is difficult to see why a genuine enthusiasts club might legitimately require such a large number of registrations. Second, there is the fact that the "club" or "clubs" are structured in such a way that each of the Domain Names that are being used are in effect being used to promote a site or sites that extend to vehicle brands that compete with those of the Complainants.
- 6.32 That still leaves the two Domain Names <rrdc.co.uk> and <rroc.co.uk>, which have been held passively by the Respondent. The <rrdc.co.uk> Domain Name can be dealt with fairly rapidly. Although it has not been used for any website, it clearly forms part of a pattern of registrations that incorporate or refer to RRC's marks. It is not alleged that this was registered for some separate commercial purpose and indeed the Respondent asserts that it was registered "to protect my UK clubs and nothing more". As such it is as much of an abusive registration as the Domain Names that have been used.
- 6.33 The <rroc.co.uk> Domain Name is part of the same pattern and the Respondent claims to have registered it for the same protective purpose, but the complication in this case is that the Respondent is the owner of a registered trade mark that comprises the term "rroc"; i.e. the RROC Trade Mark identified in paragraph 4.7 of this decision above.
- 6.34 Paragraph 4(a)(i)(B) of the Policy includes within the non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration, the following:
- "Before being aware of the Complainant's cause for complaint (not necessarily the 'complaint' under the DRS), the Respondent has ... been ... legitimately connected with a mark which is identical or similar to the Domain Name;"
- 6.35 The RROC Trade Mark is clearly "identical or similar" to the <rroc.co.uk> Domain Name. Nevertheless, I do not think Paragraph 4(a)(i)(B) precludes a finding of abusive registration in this case.

6.36 First, the Respondent has not really put forward any argument based on paragraph 4(a)(i)(B) of the Policy. He refers to the RROC Trade Mark but has not suggested that because of its similarity to the RROC Trade Mark it should be treated somehow differently from the other Domain Names in his possession. Second, I am unconvinced that paragraph 4(a)(i)(B) applies in any case. The <rrroc.co.uk> Domain Name was registered and the RROC Trade Mark was applied for just a few days apart. Neither has been subsequently used and no explanation for the registration of the RROC Trade Mark is offered. Given this it is difficult to understand why the RROC Trade Mark was registered other than to protect the Domain Name from attack from the Complainant. If the trade mark was registered to protect the Domain Name from attack from the Complainants, then it follows that the Respondent was clearly aware of the Complainants' cause for complaint at that time.

6.37 Although care needs to be taken in making comparisons with the UDRP, this is a position that is consistent with that UDRP panelists have taken when assessing whether a trade mark right provides a right or legitimate interest for the purpose of that policy. As is recorded in paragraph 2.7 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition:

“Panels have tended to recognize that a respondent's registration of a trademark which corresponds to a disputed domain name normally will, but does not necessarily, establish respondent rights or legitimate interests in that domain name for the purpose of the second element of the UDRP. For example, panels have generally declined to find respondent rights or legitimate interests in a domain name on the basis of a corresponding trademark registration where the overall circumstances demonstrate that such trademark was obtained primarily to circumvent the application of the UDRP.”

6.38 In the circumstances the Complainants have made out the requirements of paragraph 2(a)(ii) of the Policy.

7. Decision

7.1 I find that the Complainants have Rights in a number of marks, and that at least one of those marks is similar to each of the Domain Names, and that the Complainants have shown that each of the Domain Names, in the hands of the Respondent, is an Abusive Registration.

7.2 I, therefore, determine that the Domain Names be transferred to the Complainants.

Signed Matthew Harris

Dated 28 July 2015