

**DISPUTE RESOLUTION SERVICE**

**DRS 6483**

**Decision of Independent Expert**

**1. The Parties:**

Complainant: Geneva Laboratories Limited

Address: Company Secretary  
Beaufort House  
PO Box 438 Roadtown  
Tortola  
Virgin Islands (British)

Respondent: John McWilliam

Address: 28 Falcon Close  
Shoreham-By-Sea

Postcode: BN43 5HN

Country: United Kingdom

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

bio-oil-direct.co.uk

**3. Procedural History:**

3.1 On 4 November 2008, the Complaint was filed electronically with Nominet in accordance with the Nominet UK Dispute Resolution Service Policy ("the Policy"). Annexes to the Complaint were received in hard copy by Nominet on 5 November 2008.

3.2 On 5 November 2008 Nominet validated the Complaint and sent a copy of the Complaint to the Respondent, advising the Respondent that the Complainant was using Nominet's Dispute Resolution Service to complain about the registration or use of the Domain Name and allowing the Respondent 15 working days within which to respond to the Complaint.

3.3 A Response was received on 20 November 2008. The Complainant submitted a Reply, which was received by Nominet on 27 November 2008. The dispute then entered Nominet's mediation stage, but it appears that,

despite several months of attempting to resolve the issue through mediation, Nominet was unable to do so.

- 3.4 On 11 May 2009 the Complainant paid the relevant fee to Nominet in order for the matter to be referred to an independent Expert for a full Decision. On 14 May 2009 Bob Elliott was duly appointed as Expert.

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

- 4.1 The Complainant is a company registered under the laws of the British Virgin Islands. It began the sale of a specialist skin care product Bio Oil in 1987, and has sold Bio Oil branded products in the United Kingdom continuously since April 2002. The Complaint does not provide full details of the extent of the sales of the Complainant's Bio Oil products, but the sales of one of its products in 2005 in the United Kingdom accounted for over £4.5m, which equated to nearly 550,000 units of the product. The Bio Oil branded product is apparently the number 1 selling skin care product in pharmacies in the United Kingdom. The Complaint attaches substantial volumes of material confirming recognition of the Bio Oil product among the public, and in the press.
- 4.2 The Complainant owns United Kingdom and Community Trade Mark registrations for the mark Bio Oil and associated device, and a significant number of domain name registrations containing the mark Bio Oil, including bio-oil.co.uk and bio-oil.com.
- 4.3 The Complainant's own website (at [www.bio-oil.info](http://www.bio-oil.info)) is largely an informational website, providing information about the Bio Oil product, and detailing where the products are available.
- 4.4 It appears that the Complainant sells its products in the United Kingdom through a distribution chain. The products can be purchased at a number of independent pharmacies, as well as well-known retailers such as Boots, Superdrug, Tesco, and Sainsbury's. The products can also be purchased online at [www.expresschemist.co.uk](http://www.expresschemist.co.uk) and [www.supplementsupplier.com](http://www.supplementsupplier.com), and from retailers' websites. The Complainant does not itself sell its products online.
- 4.5 The Respondent is a Director and Company Secretary of BMJ Trading Limited, which operates the website [www.bio-oil-direct.co.uk](http://www.bio-oil-direct.co.uk), selling the Complainant's products. There is no contractual relationship between the Complainant and the Respondent (or his company). The Respondent sources its stock from inside the United Kingdom, through an official distributor. The website appears to be used for nothing other than the sale of the Complainant's products, and includes relevant product information.
- 4.6 The Domain Name was registered on 4 August 2006. The Respondent says that it rapidly made progress up the list of internet search rankings, based upon the search word Bio Oil. It achieved the number 2 position, after the Complainant's own website, in about early 2007. It continued to occupy that spot until early 2008, when it moved into first place (a position which it continues to hold).

- 4.7 Approximately 2 weeks after the Respondent's website reached first position on the search rankings, the Complainant's representatives sent the Respondent a formal letter, requiring the transfer of the Domain Name. Although the Respondent says that it tried to contact the Complainant through its website, the Respondent says that he was unable to do so, as his attempts produced no reply.
- 4.8 It appears that it was at about this stage that the Respondent added a disclaimer to the home page of the website at the Domain Name (which had not previously been present). The disclaimer (which is in small print at the foot of the home page), is in the following terms: "Acknowledgements: Bio Oil and the bio oil device are registered trade marks of Geneva Laboratories Limited. BMJ Trading Limited and Bio-Oil-Direct.co.uk are not affiliated with Geneva Laboratories Limited". The home page also contains the following wording (in more prominent lettering): "Bio-Oil-Direct.co.uk is operated by **BMJ Trading Limited**, incorporated in the United Kingdom".
- 4.9 The website prominently displays pictures of the Complainant's products, and it seems to be common ground that some of the wording describing the product is taken directly from the Complainant's own wording. The website also contains what appears to be some limited use of the wording "Bio Oil" in the same orange colour with grey lettering as is used on the Complainant's own packaging. The Complainant's representatives have, unfortunately, only provided a copy of the relevant pages in black and white, but their assertion as to the use of the colour orange and grey lettering does not appear to be contested by the Respondent.

## 5. Parties Contentions

### Complainant's Submissions

#### Rights

- 5.1 The Complainant relies upon its trade mark registrations incorporating Bio Oil and device, and extensive use of the Bio Oil mark as evidenced by its details of sales and recognition of its brand, as establishing both registered and unregistered trade marks. It says that those amount to Rights under the Policy, which pre-date the registration of the Domain Name.
- 5.2 The Domain Name is said by the Complainant to be similar to the unregistered trade mark of Bio Oil and to the registered UK and Community Trade Marks of Bio Oil and device, given that all share the distinctive and dominant component of Bio Oil. The "direct" in the Domain Name is non-distinctive and, the Complainant asserts, merely suggestive to consumers that the website at the Domain Name is directly connected to the Complainant and its distribution of its products.

#### Abusive Registration

- 5.3 The Complainant's case is essentially that the use of the Domain Name is an abusive registration as it "has been intentionally used in an attempt to attract for financial gain, Internet users to the Registrant's website, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Registrant's website". The

Complainant does not directly refer to any of the non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration, under paragraph 3.a of the Policy as the basis for its assertion. Instead, the Complainant appears to rely principally upon the English Court case of British Telecommunications PLC and others v. One in a Million Limited and Others [1999] ETMR 61, and the decision of the European Court of Justice in BMW v. Deenik, case C63/97, as applied by the Expert in DRS 00248, Seiko UK Limited –v- Designer Time/Wanderweb, seiko-shop.co.uk (although the Complaint does not refer to the appeal in that case). The Complainant relies upon those authorities as establishing that the proprietor of a trade mark is entitled to prohibit use of its trade mark in a way which may create the impression that there is a commercial connection between the other undertaking and it, and in particular that the reseller’s business is affiliated to the trade mark proprietor’s distribution network, or that there is a special relationship between the two undertakings.

- 5.4 The Complainant says that the Respondent’s use of the Domain Name implies a commercial relationship which is closer than that of its other retailers, or even the United Kingdom distributor of the Complainant. The Complainant sells through its distribution network, to retail outlets. No distributor or retailer of the Bio Oil branded products has been authorised or licensed to use the Bio Oil Mark in respect of a trading name or domain name. It does not sell its Bio Oil branded products direct to end consumers. There is a significant prospect therefore that seeing the website at the Domain Name, consumers may believe that they are purchasing products direct from the Complainant. The use of the word “direct” in the Domain Name is therefore misleading in that regard.
- 5.5 The Complainant also notes the use of its colouring and get-up on the website, and suggests that the late adoption of a form of disclaimer is evidence of acceptance of the likelihood of confusion. The presence of the disclaimer/acknowledgement statement on the website is in any event not sufficient to avoid confusion on the part of consumers, as it is in small lettering at the foot of the web page, which may be missed by consumers. In any event it does not prevent initial interest confusion occurring, through consumers finding the Respondent’s website, through a Google search based upon the mark Bio Oil.
- 5.6 The Complainant also submits that the use of the Bio Oil Mark within the Domain Name registration goes beyond “nominative fair use”, and is not in accordance with honest practices. The Respondent could have registered and used “a genuinely descriptive domain name search” such as “we–sell–bio–oil–skincare–products.co.uk”, and the use of the Domain Name is therefore taking unfair advantage of the reputation and goodwill established by the Claimant in its own Mark.
- 5.7 The Complainant also complains about the Respondent’s use of the Bio Oil mark as a metatag and as an internet keyword. There is no good reason for the Respondent to have registered and used the Domain Name containing the Bio Oil mark, as it will suggest to consumers that there is a connection or association between the parties which simply does not exist, or that consumers are confused into believing that it is the “website of the Complainant”. Such confusion on the part of consumers is likely to damage the goodwill and reputation in the Bio Oil Mark of the Complainant as well as taking advantage of the registered rights of the Complainant.

- 5.8 The Complainant concludes by saying that the registration of the Domain Name took advantage of and was unfairly detrimental to the rights of the Complainant and/or that the use of the Domain Name has taken, or will take, unfair advantage of and be unfairly detrimental to, the rights and commercial interests of the Complainant. The Complainant seeks the transfer of the Domain Name to itself.

#### Respondent's Submissions

- 5.9 The Respondent does not dispute the Complainant's Trade Marks nor that the Complainant has Rights in a mark which is similar to the Domain Name.
- 5.10 However, the Respondent submits that this is a dispute which has "absolutely nothing to do with "abuse" of a domain name. Rather it is a means to acquire the asset for [the Complainant's] own purposes".
- 5.11 The Respondent asserts that, because of the example given by the Complainant of we-sell-bio-oil-skincare-products.co.uk in its submissions, the Complainant does not dispute the use of Bio Oil as such, in the Domain Name. However, he disputes the Complainant's assertion that the use of the phrase "direct" implies a special relationship with the Complainant, saying instead that the "direct" component of the Domain Name is merely a convention to indicate that the site in question is a retailer, rather than an informational website. The Respondent gives a number of examples of what he says demonstrate this convention, specifically, Viking-direct.co.uk, Laptopsdirect.co.uk, and Empiredirect.co.uk. He says that this "convention" nowadays also extends offline, to Tesco Direct, Sports Direct and others. None of the above companies imply a special relationship with their suppliers through their Domain Name, and nor does the Respondent.
- 5.12 The Respondent refers to his site's disclaimer, and to the wording to the effect that it is operated by BMJ Trading Limited in the left hand navigation of each page.
- 5.13 The Respondent says that the Complainant has no legitimate basis for wanting to register the Domain Name – it already has all of the primary domains, and the addition of this additional domain is not going to add value to the Complainant's web operations.
- 5.14 The Respondent replies to the Complainant's assertion in relation to the purpose behind the late adoption of the disclaimer to the effect that it does not imply an acknowledgment that there is a prospect of misleading or confusing consumers, but instead explains that the Respondent was not previously familiar with the need to acknowledge third party Trade Marks and upon receiving the letter from the Complainant's representatives, he realised that such an acknowledgement should be included.
- 5.15 The Respondent acknowledges that there has been some limited use of the colour orange on his website, in a way which he says compliments the product packaging itself (rather than clashing with it, as would be the case with the use of another colour), but that the website itself bears "absolutely no resemblance to the website at bio-oil.info". The design of the site is based upon one of the Respondent's existing templates, and he says that adoption of the Complainant's wording (which is used on brochures, product

packaging, instructions for use and promotional material) was an innocent use which the Respondent believes he was entitled to make.

- 5.16 The Respondent says that the “real crux of the problem” is that there was no previous complaint as to his use of the Domain Name, until it came to the top of the search engine listings. “...Whereas before they were happy to live alongside us, and had no problem with what we were doing or how we did it, the instant the Complainant was dethroned they started making threats. I gave these threats the due attention they deserved and following several failed attempts to deal with the situation professionally by contacting them directly via their website, I filed their “concerns” in the bin”.
- 5.17 The Respondent takes issue with the notion that he in some manner abuses the Domain Name. “As an organisation we respond to thousands upon thousands of enquiries every year regarding Bio Oil. We educate customers in its best use, who it is best suitable for and who it’s not, and let people know where they can buy it offline if they are uncomfortable ordering online, which only serves to bolster our competitors, and further lines the pockets of the Complainant. We operate in this way because we believe it does no-one any favours to act in an obstructive manner. Whilst a customer may not order from us on this occasion, they may choose to do so in the future, or they may recommend to a friend that they order from us. Every day we receive e-mails from very happy customers, thanking us for our prompt despatch and helpful customer service. Customers even take the time to send us hand-written thankyou’s and we once received a picture of a customer’s newborn baby”.
- 5.18 The Response concludes by suggesting the Claimant contact the Respondent, as “we may be able to come to some arrangement”, if the Complainant wishes to acquire the Domain Name, but that he will not simply let it be taken away from him, following all the work that has gone into it, and continues to go into building the website’s good reputation.

#### Complainant’s Reply

- 5.19 In its reply the Complainant again highlights that the use of the word “direct” in the Domain Name, is misleading, and serves only to create the impression of a “connection or commercial relationship” between the website and the Complainant. It takes issue with the examples given by the Respondent of the use of “direct” in other contexts. Topsdirect.co.uk (sic, presumably intended to be laptopsdirect.co.uk) and Sportsdirect.co.uk are examples of use of a descriptive word, plus “direct”. Viking-direct.co.uk is operated by a business trading as Viking-Direct, similarly Empire-direct.co.uk. Those websites are used for the sale of others’ branded products, and it is those third party brands, such as Xerox and Panasonic, which should be compared to Bio Oil. Tesco-direct is the online retail facility of Tesco.
- 5.20 The Complainant also takes issue with the Respondent’s assertion that the use of the orange colour on his website is only to compliment the product packaging – instead, it is said to be a mimic of the Bio Oil product, which in combination with the copied text, increases the prospect of consumer confusion.

## **6. Discussion and findings.**

6.1 In order to succeed in these proceedings, paragraph 2.6 of the Policy requires the Complainant to prove on the balance of probabilities that both elements of the test set out in paragraph 2.a are present, namely that :

- i. the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and
- ii. the Domain Name, in the hands of the Respondent, is an Abusive Registration.

### Complainant's Rights

6.2 These do not appear to be in issue between the parties, and the Expert accepts that the Complainant has demonstrated that it has Rights in a name or mark Bio Oil which is similar to the Domain Name.

### Abusive Registration

6.3 The Complainant also has to show that the Domain Name is an Abusive Registration. Paragraph 1 of the Policy defines "Abusive Registration" as a Domain Name which either:

- i. was registered or otherwise acquired in a manner, which at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; or
- ii. has been used in a manner, which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.

6.4 A non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration is set out in paragraph 3.a. of the Policy. Those include, under paragraph 3.a(ii): "Circumstances indicating that the Respondent is using or threatening to use the Domain Name in a way which has confused people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant".

6.5 This dispute has a number of similarities with two decisions of Nominet's Appeal Panel, in the cases of Seiko UK Limited –v- Designer Time/Wanderweb, DRS 00248, seiko-shop.co.uk, and Epson Europe BV –v- Cybercorp Enterprises, DRS 03027, cheap-epson-ink-cartridge.co.uk, and other domain names. Neither of those decisions has been specifically cited by either party (although the Complainant has made reference to what appears to be the decision of the Expert in DRS 00248, rather than the Appeal Panel). For the reasons explained by the Appeal Panel in DRS 00248, although the Court authorities which the Complainant relies upon may be of some assistance, it is the Expert's role to apply the Policy, not to be guided solely by the law of trade marks.

6.6 There are no substantial issues of fact which require to be decided, and in the Expert's view the decision to be taken essentially comes down to what was described in DRS 00248 as being "the crux of this case", concerning taking unfair advantage or causing detriment. In DRS 00248 the Appeal Panel said:

“There are many different traders who may wish to make use of the Trade Mark of a third party, eg. the proprietor’s licensee (exclusive or non-exclusive), a distributor of the proprietor’s goods (authorised, unauthorised or “grey market”), the proprietor’s franchisee or the proprietor’s competitor engaged in comparative advertising. There are an infinite array of different factual circumstances which could arise under each of these categories.

Accordingly, we are not able to – and we are not going to attempt to – lay down any general rules governing when a third party can make “legitimate” use of the trade mark of a third party as a domain name. All we can do is decide whether the Expert came to the right conclusion on the evidence and submissions before him.

Essentially Seiko’s complaint is that Wanderweb’s registration of the Domain Names has gone beyond meeting the representation “we are a shop selling Seiko/Spoon watches” and instead to add is instead making the representation(s) “we are *The* Seiko/Spoon watch shop”, or “we are the official UK Seiko/Spoon watch shop”. The latter form of representation is what we understand the ECJ to be referring to when, in the ECJ case C-63/95 BMW –v- Deenik, it speaks of creating “the impression that there is a commercial connection between the other undertaking and the trade mark proprietor”. An example of a domain name, which, in the opinion of some members of the Panel, would make the former but not the latter representation was given by the Expert in paragraph 7.28 of the Decision: “we–sell–seiko–watches.co.uk”.

The Panel agrees that if there is support in the evidence for the suggestion that the Domain Names make, or are liable to be perceived as making, the latter representation (ie: that there is something approved or official about their website), this would constitute unfair advantage being taken by Wanderweb or unfair detriment caused to Seiko”.

- 6.7 In DRS 03027, the Appeal Panel summarised its position regarding the passage cited above from DRS 00248 by saying that it was obviously important not to lose sight of the primary question namely “were the Domain Names registered or used in a manner which takes unfair advantage of or was unfairly detrimental to the Complainant’s Rights”, but that it is helpful in cases of this kind (for the reasons set out in DRS 00248) to ask and to answer the secondary question “does the Respondent’s registration and use of the Domain Names create the [false] impression that there is a commercial connection between the Respondent and the Complainant?”.
- 6.8 Although similar, neither Appeal Panel case is directly on all fours with this dispute, and neither concerned the use of the adjunct “direct” to a brand name, as part of a domain name (and the Expert is not aware of any contested DRS case which addresses the effect of the use of the adjunct “direct” – the Appeal Panel in Viking Office Products Inc v Wenda Sparey DRS 02201, vikingdirect.co.uk did not need to address itself to that issue). In DRS 00248 there was some evidence of actual confusion (where there is none here). In DRS 03027 there were multiple domain names involved and the domain names were also used to promote the sales of products which were competitive with Epson’s own products.



6.9 In seeking to address the secondary question set out by the Appeal Panel in DRS 03027, the Expert reminds himself that it is for the Complainant to make out its case on the balance of probabilities. Against that background, the issues which appear to the Expert to be most relevant are as follows :-

- a) In this case, the Respondent has confined itself to the use of one domain name, aimed solely at selling the Complainant's products (and not those of any others), and there is no dispute that the products themselves are "genuine";
- b) There appears to be no evidence of actual confusion, and it has taken the Complainant at least a year and a half to register a protest about the registration of the Domain Name (and only once the Respondent's website had reached the top of the search listings);
- c) It may be that the Complainant itself has benefited from the Respondent's actions (in the sense of increasing sales of its product) although the Expert is aware that the Respondent's sales might equally have been at the detriment of the Claimant's other sales outlets;
- d) The level of adoption of the Complainant's trading style on the website is not as great as the Complainant asserts. The Respondent's website is very different in its "look and feel", from the Complainant's own website, and there is relatively little use of the Complainant's orange/grey colouring. At the same time, the website does prominently display pictures of the Complainant's products on which the orange colour is a noticeable feature, and someone who is not familiar with the Complainant's website will not necessarily be aware of the differences between it and the Respondent's website;
- e) The "disclaimer" on the Respondent's website is in very small print, and is more in the nature of a trade mark acknowledgement. The wording of the disclaimer to the effect that BMJ Trading Limited and Bio-oil.direct.co.uk "are not affiliated" with Geneva Laboratories Limited is likely to be unclear to many users (assuming they read it). The wording to the effect that the website "is operated by BMJ Trading Limited" is more prominent, but does not make it clear that there is no commercial connection with the Complainant;
- f) The Respondent's principal difficulty is the Domain Name itself. Although it is possible that other Experts may take a different view, the Expert does not accept the Respondent's contention that the use of "direct" is merely a convention to indicate that the site in question is a retailer, rather than an informational website. In the Expert's view, the more likely assumption which will be made by a consumer as to the use of such an addition in the context of a website address is that it implies cutting out at least one level of the supply chain, possibly all intervening levels of the supply chain, between the initial source of the products (the brand owner) and those operating the website. There will be an associated implication from the use of the name, that it will normally involve a saving for the user, because there is no requirement to pay for the mark-ups applied by the intermediate links in the supply chain. As such, the Expert considers a "brandnamedirect" domain

name will normally imply a commercial connection between the Respondent and the Complainant which is a close one, unless the way in which the Domain Name is actually used demonstrates clearly that there is some other intention behind the use of that wording. The examples which the Respondent gives in support of his belief that there is a "convention" do not appear to stand up to detailed analysis;

- g) In this case, given what he believes would be the likely pre-conceptions of any intended user as to what he/she would find by using any site using a "brandnamedirect" domain name (and the likely initial interest confusion), the Expert believes that that onus is very much upon the Respondent to use the site in a way which makes it clear that there is no commercial connection between it and the Complainant. Although the Expert does not agree with the Complainant as to the extent of its criticism of the Respondent's site, the Expert does not feel that the Respondent has made that lack of commercial connection sufficiently clear to dispel any misconceptions.

6.10 Paragraph 4.a.i of the Policy contains a non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration, which includes "before being aware of the Complainant's cause for complaint (not necessarily the "complaint" under the DRS) the Respondent has ...used or made demonstrable preparations to use the Domain Name or a domain name which is similar to the Domain Name in connection with a genuine offering of goods or services". In this case it is apparently accepted that the products were "genuine", but the Expert does not consider that the "offering" was genuine, essentially for the same reasons – in order for the offering to be "genuine" the Respondent would have needed to have done more to dispel what the Expert considers would have been the misconception which the average user would have had from the Domain Name itself, namely that there is a commercial connection between the Respondent and the Complainant.

6.11 The Expert therefore finds that the Domain Name, in the hands of the Respondent is an Abusive Registration within the meaning of the Policy.

## **7. Decision**

7.1 The Expert finds that the Complainant has rights in the name or mark Bio Oil which is similar to the Domain Name. The Expert further finds that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

7.2 The Expert therefore decides that the Domain Name should be transferred to the Complainant.

Signed ...Bob Elliott.....

Dated 1 June 2009.