DISPUTE RESOLUTION SERVICE

DRS 07066

Decision of Appeal Panel

Dated 20 October 2009

Whistle Blowers Press Agency Ltd and Commercial and Legal Services (UK) Ltd

and

Ketts News Service Ltd

1. The Parties:

Complainants/Appellants:

Whistle Blowers Press Agency Ltd
6 Wivenhoe Business Centre
Brook Street
Colchester
Essex
CO1 9EU
UK

and

Commercial and Legal Services (UK) Ltd
Commerce House
9 Temple Court
Colchester
Essex
CO4 0PR
UK

Respondent:

Paul Holmes
Ketts News Service Ltd
1st Floor, Grosvenor House
Prince of Wales Road
Norwich
NR1 1NS
UK

2. The Domain Name:

<whistleblower.co.uk> ("the Domain Name")

3. Procedural Background

This is an appeal from a decision of Jon Lang, the Expert appointed by Nominet to decide this dispute.

The process is governed by the *Procedure for the conduct of proceedings under the Dispute Resolution Service* ("the Procedure") and the decision is made in accordance with the *Dispute Resolution Service Policy* ("the Policy"). Both of these documents are available for inspection on the Nominet website (http://www.nominet.org.uk/disputes/drs).

The decision (in favour of the Respondent) was issued on 20 July 2009. The procedural background leading up to the decision is set out in the decision, which is published on the Nominet website.

On 24 August the Complainants lodged a request, in accordance with paragraphs 13(b) and 18(h) of the Procedure, that further evidence by way of a witness statement of a Mr Malcolm Scott (with accompanying exhibits) be admitted into the evidence before the Panel and outwith the 1000 word limit applicable to an Appeal Notice. The Panel's response to that request appears below.

On 25 August the Appeal Notice was lodged, together with payment of the relevant fees, and on 11 September the Appeal Response was received from the Respondent.

On 18 September the Appeal Panel was appointed comprising Tony Willoughby, Nick Gardner and Philip Roberts, each of them having confirmed to Nominet 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 a such a nature as to call in to question my independence in the eyes of one or both of the parties."*

4. Procedural Issues

As indicated in the previous section, there is a request from the Complainants that the Panel admit into the evidence a further statement from Mr Malcolm Scott of the Complainants. Normally, further evidence will not be considered by an appeal panel unless there is very good reason for the panel to do so.

Here the reason given is that a witness statement which was put before the Expert by the Respondent at first instance (and upon which the Expert relied) should be disregarded, because the person making that statement had set out to deceive the Expert by pretending that she is independent of the Respondent whereas she has at all material times been very closely associated with one of the prime movers behind the Respondent. The Respondent has not objected and the Panel is satisfied that the reason given is a good one. Accordingly the Panel has read and considered that further evidence.

As is normal practice for appeals under Nominet's Procedure, the

Panel has examined all the evidence provided to and considered by the Expert and has reconsidered both parties' contentions at first instance against the criteria contained in Nominet's Policy. In addition the Panel has considered the new material provided subsequently, namely:

Documents submitted in the Appeal by the Complainants:

Witness statement of Malcolm Scott dated 31 July together with exhibits MJRS 1 to 7 to that witness statement.

The Appeal Notice

Documents submitted in the Appeal by the Respondent:

The Respondent's reply to the Appeal Notice.

5. Factual Background

Neither party has criticized the factual background as set out in the decision at first instance. It reads substantially as follows:

The Lead Complainant [Whistleblowers Press Agency Limited] is a UK based company (incorporated on 27 February 1997) providing news and media services. It has provided such services to the public 'since at least as early as 13 March 2007'. Its www.whistleblowers.uk.com website was first made accessible to the general public on 13 March 2007 (the date on which the domain name www.whistleblowers.uk.com was registered to it) via a "site under construction" web page containing contact details for the Complainant.

The Lead Complainant is the proprietor of UK trade mark No. 2127339 for WHISTLE BLOWER in Classes 35 and 42 (filed on 21 March 1997 and granted registration on 31 October 1997) and trade mark No. 2497247 for WHISTLE BLOWER in Class 41 (filed on 10 September 2008 and granted registration on 9 January 2009).

It is also the proprietor of the domain name, <whistleblowers.uk.com>, registered on 13 March 2007.

CLS is a UK Company providing investigative media research and journalism services and has been trading since as early as 1989. CLS has been granted a licence to use the trade mark WHISTLE BLOWER which it has done in connection with the above services since at least as early as 2005.

CLS is the proprietor of the domain name, <whistleblowers.co.uk>, having been acquired by it on 19th February 2009.

The Respondent's business was founded in 1993 as an independent press agency. The business was incorporated in September 2003. In February 2004 it set up a website called 'cash4yourstory' which enabled members of the public to supply their true stories to the media. The Respondent subsequently came up with the idea of further expanding its web presence and established the website connected to the Domain Name, which it acquired from a company called Ctrl-Alt-Del IT Ltd for £2000 on 20 January 2008.

6. The Parties' Contentions

The parties' contentions at first instance are set out in detail in the Expert's decision. In essence they are as follows:

(1) The Complainants contend that when registering the Domain Name the Respondent must have conducted appropriate searches at *inter alia* the Trade Marks Registry, Companies House and the relevant Whois databases and therefore must have been aware of the Complainants' pre-existing trade mark rights, their pre-existing company name and their pre-existing domain name registrations and must also have been aware of the Second Complainant's use of the WHISTLE BLOWERS name since at least 2005. Accordingly at time of registration of the Domain Name it constituted an Abusive Registration in that it took unfair advantage of the Complainants' rights (registered and unregistered) and was unfairly detrimental to the Complainants' rights. Further they contend that the Respondent's subsequent use of the Domain Name constitutes trade mark infringement and the tort of passing off and has taken unfair advantage of the Complainants' rights and has been unfairly detrimental to the Complainants' rights. They say that the Respondent's use of the Domain Name has led to confusion and deception among internet users.

(2) The Complainants have plans for developing their business under and by reference to the WHISTLE BLOWER name, but cannot sensibly implement those plans while the Respondent continues to use the Domain Name.

(3) The Respondent denies all knowledge of the Complainants' and their rights in respect of the WHISTLE BLOWERS name as at the date of registration of the Domain Name. It does not dispute the existence of the registered rights, but denies that the Complainants have produced evidence to establish unregistered trade mark rights.

(4) The Respondent states that the first that it heard of the Complainants was on 23 January 2009 when it received a warning letter from some solicitors acting on behalf of the Complainants. By that time, the Respondent had been using the Domain Name to connect to an active website for nearly a year, the website going live on 8 February, 2008. The Respondent contends that the term 'whistle blower' is a generic term and that the Domain Name is a legitimate term for the Respondent to have adopted for its website. The Respondent contends that the parties are not in precisely the same line of business.

(5) The Respondent states that when it set up its website connected to the Domain Name it conducted various searches, but nothing came up revealing the existence of the Complainants.

(6) The Respondent contends that the Complainants are guilty of Reverse Domain Name Hijacking.

In the Appeal Notice the Complainants concentrate upon the Expert's finding that the Domain Name is not an Abusive Registration, because there is insufficient evidence to support the Complainants' contention that the Respondent registered the Domain Name with knowledge of the Complainants and their WHISTLE BLOWERS name and trade mark. The Complainants contend that the Expert erred in finding that one of the reasons why the Respondent might well not have come across the Complainants at the relevant time was because on their own evidence they tended to keep a low profile. The Complainants also contend that the Respondent's arguments on this point "are based almost entirely on the statement of Liz Hollis", a witness put forward by the Respondent. They assert that Ms Hollis's statement is unreliable and incorrect and was known to be so by the Respondent and that in consequence all the Respondent's evidence is to be dismissed as unreliable.

In its reply to the Appeal Notice the Respondent re-asserts that it was not aware of the Complainants and their trade mark when it registered the Domain Name. It denies that the substance of Ms Hollis's witness statement is inaccurate, but asserts that even if that statement were to be discredited by the panel, there is still insufficient evidence before the Panel to merit a finding that the Respondent knew of the Complainants at date of registration of the Domain Name.

7. Discussion and Findings:

General

The Complainants are required under clause 2b of the Policy to prove to the Expert on the balance of probabilities that:

i *the Complainants have 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

"Rights" are defined in the Policy and in the Procedure. Rights "includes, but is not limited to, rights enforceable under English law".

The Respondent does not contest the submission on the part of the Complainants that the Complainants have Rights in the name WHISTLE BLOWERS. Details of the Complainants' trade mark registrations are set out in Section 5 above.

The Panel is satisfied that the Complainants have Rights in a name, which is similar to the Domain Name, the only differences in the Domain Name being the generic domain suffix (which may be ignored for this purpose) and the absence of the letter 's', which the Panel does not regard as a material difference.

Abusive Registration

Factors to be considered

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.

A non-exhaustive list of factors, which may be evidence that the Domain Name is an Abusive Registration, is set out in paragraph 3 of the Policy. These include:

3.a.ii Circumstances indicating that the Respondent is using 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;

On the other hand, paragraph 4 of the Policy sets out a list of factors that may be evidence that the Domain Name is not an abusive registration, including:

4.a.i Before being aware of the Complainant's cause for complaint (not necessarily the "complaint" under the DRS), the Respondent has (A) 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;

The issues in this case

The Expert founded his decision at first instance on the proposition that for a domain name to constitute an Abusive Registration it is normally necessary for the complainant to demonstrate as an opener that the respondent had knowledge of the complainant and/or its rights at the relevant time. In other words when registering the domain name in issue the respondent registered it with that knowledge and/or when commencing the use of which complaint is made the respondent had that knowledge. The Expert cited a passage supporting that proposition from the Appeal decision in *Verbatim Limited v. Michael Toth* (DRS 4331).

The Panel endorses the Expert's approach.

Accordingly, if the Respondent is speaking the truth when it says that it was unaware of the existence of the Complainants and/or their rights in respect of WHISTLE BLOWERS when it registered the Domain Name and then when it first started making use of the Domain Name to connect to a website providing commercial services in respect of whistle blowers, the Complaint does not get off first base.

The Complainants put forward the following by way of evidence to support their contention that the Respondent registered the Domain Name and/or commenced the offending use of the Domain Name with knowledge of the Complainants and/or their rights:

(1) A company search would have disclosed the existence of the first Complainant, which was incorporated on 27 February, 1997. The Respondent states that it saw no need to conduct such a search given that it had no intention of using the name as a company name. The Complainants assert variously that the Respondent must have conducted such a search or should have done so.

(2) A trade mark search would have disclosed the existence of the first Complainant's trade mark registration dated 21 March 1997. The Respondent's response is much the same as above. It had no intention of using the Domain Name as a trade mark. The Complainants contend that the Respondents must have or should have conducted such a search.

(3) Basic domain name availability checks and searches would have revealed the Complainants' domain name. The Respondent states that it conducted extensive research before setting up its website, but the Complainants' domain name did not come up on any of those searches.

(4) The business area in which the parties operate is 'relatively niche'. The Panel should infer mutual awareness on the balance of probabilities.

(5) The Respondent put forward the evidence of Ms Liz Hollis in a manner calculated to mislead the Expert. It implied that the statement came from an independent witness, whereas for many years Ms Hollis has lived at the same address as one of the prime movers behind the Respondent. The Complainants contend that Ms Hollis's evidence should be ignored and should also lead the Panel to draw inferences in favour of the Complainants 'where appropriate'. The Respondent denies that there is anything inaccurate in Ms Hollis's statement.

Taking this last point first, the Panel accepts that there may be nothing expressly inaccurate in Ms Hollis's statement, but it manifestly contains a material omission. The substance of the statement provided by Ms Hollis was that she was an independent freelance journalist who was in the course of writing a feature article about whistleblowers generally, and in doing so carried our research into how the press dealt with this area. The statement indicated that such research found no indication of the Complainants or their activities. The statement gave the clear impression that she was independent and that her contact with Mr Houlday of the Respondent had been that of a journalist approaching a third party. The evidence now filed by the Complainants and not challenged by the Respondent, is that Ms Hollis was a director of the Respondent between the period 16th July 2003 until 31st August 2005, works for or in association with the Respondent, and also cohabits with Mr Houlday. It is not disputed that she did write an article which was published in the

Guardian but the Complainants say this is clearly not a proper piece of objective research but is a feature which in substance seeks to promote the Respondent.

Whilst the DRS procedure is not normally an appropriate forum for resolving disputed issues of fact, it is in these unusual circumstances quite clear to the Panel that Mr Houlday and Ms Hollis have deliberately set out to mislead the Expert by filing evidence which contained significant and material omissions. This was not accidental. Neither the Respondent nor Ms Hollis come out of this with any credit and the Panel deplores their behaviour. The Panel agrees with the Complainants that it was a conscious attempt on the part of the Respondent and Ms Hollis to mislead the Expert into believing that there was independent support for the Respondent's ignorance of the existence of the Complainants at the material time. The Panel will therefore disregard Ms Hollis's evidence in its entirety. The Panel also proposes to regard with considerable scepticism any other evidence filed by the Respondent unless corroborated by material which the Panel can be confident is correct. Specifically the Panel is not prepared to attach any weight (one way or another) to statements provided by the Respondent as to its ignorance of the Complainants' business.

The difficulty the Complainants nevertheless still face is that their case, when examined carefully, is based on no more than assertion that the Respondent's activities amount to trade mark infringement and passing off, and that the Respondent would have carried out specific searches which would then have alerted it to the Complainants' business and activities. In all of these allegations the Complainants manifestly fail to demonstrate that the nature and size of their business was such that it was inevitable (or even likely on the balance of probabilities) that the Respondent must have known of them.

Specifically in paragraphs 14 to 16 of the Complaint the Complainants base their claim solely on the alleged fact that the Respondent's registration and use of the Domain Name constitutes trade mark infringement and passing off with no suggestion that the Respondent had any knowledge of the Complainants or their rights. In paragraph 17 they refer to the Respondent's denial in correspondence of any knowledge of the Complainants, but contend that it is "highly unlikely" that the Respondent was previously unaware of them. Then, in the Reply, again the Complainants make out no case of any kind that the Respondent had the relevant knowledge. They rely solely upon their allegations of trade mark infringement and passing off. In paragraphs 5, 6 and 8 of the Appeal Notice they say variously that a search "would have been prudent", "would have revealed" and/or "was warranted". In paragraph 7 they say that because the parties operate in the same small niche area "it is therefore reasonable to infer that each party was aware of the other". In paragraph 11 they say "On a balance of probabilities and on the assumption of reasonable enquiries being made, the Respondent must have been aware of the Complainants at the time of and prior to registration of its domain name".

For the reasons described above the Panel feels unable to rely (one way or another) upon the Respondent's own account that it had no knowledge of the Complainants or their activities. The burden of proof however remains with the Complainants. In these circumstances the Panel has considered whether the evidence filed by the Complainants is sufficient to

establish that the Respondent must have known of the Complainants and/or their rights. The Panel concludes that it does not. In reaching this conclusion the Panel has taken account of the following:

(1) At the date the Respondent registered the Domain Name the relevant domain name being used by the Complainants was <whistleblowers.uk.com>. The Panel is not prepared to infer that a '.uk.com' domain name (which is as a matter of public record much less commonly used than either a '.co.uk' or a '.com' name for a UK based business) would necessarily have been readily identified. The Complainants' own evidence is that this name was chosen after they identified that '.co.uk' and '.com' versions of the name were already taken.

(2) At the date the Respondent registered the Domain Name the domain name <whistleblowers.co.uk> was owned by a third party, that name only having been purchased by the Complainants at a later date. No information has been provided to the Panel as to who this third party was or what use had been made of this domain name previously.

(3) The Respondent obtained the Domain Name after it had lapsed, it having previously been owned by a third party – according to the Complainants it was originally registered in 2005 by a Colin Taylor. No information has been provided to the Panel as to what use if any was made of it prior to the Respondent acquiring it.

(4) <whistleblowers.com> is also owned by a third party – the Panel is told it is owned by an American legal organization.

(5) The Complainants' own evidence is that the website www.whistleblowers.uk.com was first made accessible by the general public on 13 March 2007 via a "site under construction" webpage. The evidence is unclear as to when that position changed to include substantive content on the web site although it appears, again from Complainants' own evidence (the statement of Mr Toomey), that discussions about a draft site were still continuing "well into 2008"

(6) Very little information is given about the scale of the Complainants' activities. The Complaint states that "CLS is a UK Company providing 'investigative media research and journalism services'. CLS has been trading since as early as 1989 within the United Kingdom and for the year 2008/2009 its expected turnover will be in excess of £590,000." No information is given as to what proportion of that sum derives from activities associated with the term "whistleblower(s)", however used. The Complainants' evidence is not wholly clear as to the range of activities that the Complainants undertake but it is however clear that they extend outside the scope of the activities carried out under the "whistleblowers" name – for example according to the Reply "part of CLS's business interest relates to Commercial & Legal Recovery Services and a debt collection database they have designed for the purposes of debt collection".

(7) No proper accounts of either Complainant have been provided despite an issue having been raised by the Respondent as to the

status of the Lead Complainant being recorded at Companies House as dormant – the Complainants accept this is factually what is recorded but dispute the relevance of that fact and say there is still time for the Lead Complainant to file its accounts given it did not start trading until March 2007. The Panel is prepared to assume that may be correct but notes that that Complainant has not taken the obvious step to rebut the substance of this attack by providing the Panel with any information at all about its accounts and what they contain.

(8) Indeed it is striking to the Panel that the Complainants' filed papers contain large amounts of material that are either wholly or mainly irrelevant (for example lengthy details of Data Protection Act registrations) and witness evidence which is at best of peripheral relevance (such as about the printing of stationery) but no real evidence, beyond that quoted above, as to the scale of the Complainants' activities.

In summary there is simply not enough evidence to establish that the activities of the Complainants under or by reference to the term whistleblower or whistleblowers was of a size or nature such that it can be inferred, on the balance of probabilities, that another party registering "whistleblower.co.uk" must have known of the Complainants and/or their activities.

Accordingly the Panel holds that:

- the mere fact that registration and/or use of a domain name may constitute trade mark infringement or passing off does not necessarily mean that the domain name is an Abusive Registration under the Policy

- ordinarily, some level of respondent knowledge of the complainant or its rights at time of registration (or commencement of the offending use) of the domain name is a necessary pre-requisite to getting a successful complaint off the ground

- in the circumstances of this case the Panel declines to attach any weight to the Respondent's evidence that it did not know of the Complainants or their rights. However, the Complainants have failed on the evidence to satisfy the Panel that such knowledge can on the balance of probabilities be inferred

- the Complainants have failed to establish to the satisfaction of the Panel that the Domain Name in the hands of the Respondent is an Abusive Registration

- the Appeal fails.

In so finding, the Panel fully accepts that the Complainants have genuine concerns that the close similarity between the Domain Name and the Complainants' name and trade mark is likely to give rise to confusion and may constitute trade mark infringement and passing off (as to which the Panel makes no comment). However, that is not an issue to be resolved in these Nominet DRS proceedings.

The Panel has considered whether there is any aspect of the

Complainants' behaviour in this proceeding, which has been such as to merit a finding of Reverse Domain Name Hijacking and has concluded that there has not.

8. Decision

Accordingly, we find that the Complainants have Rights in respect of a name or mark, which is similar to the Domain Name, but we are not satisfied on the evidence before us that the Domain Name in the hands of the Respondent is an Abusive Registration. We therefore determine that the appeal against the Expert's decision fails. We also find that this is not a case of Reverse Domain Name Hijacking.

Tony Willoughby – Chairman

Nick Gardner

Philip Roberts

20 October 2009