

DISPUTE RESOLUTION SERVICE

D00011549

Decision of Independent Expert

Sensory Toy Warehouse

and

Parents of disabled children

1. The Parties:

Complainant: Sensory Toy Warehouse
2C Zig Zag Road
Wallasey
Merseyside
CH45 7NZ
United Kingdom

Respondent: Parents of disabled children
Fairgate House
Kings Road
Birmingham
West Midlands
B11 2AA
United Kingdom

2. The Domain Name(s):

sensorywarehouse.co.uk

3. Procedural History:

29 June 2012 11:47 Dispute received
02 July 2012 10:12 Complaint validated
02 July 2012 10:17 Notification of complaint sent to parties
02 July 2012 11:30 Response received
02 July 2012 11:31 Notification of response sent to parties
05 July 2012 02:30 Reply reminder sent
10 July 2012 08:44 No reply received
10 July 2012 08:44 Mediator appointed
11 July 2012 09:53 Mediation started
11 July 2012 11:08 Mediation failed
11 July 2012 11:09 Close of mediation documents sent
16 July 2012 10:30 Expert decision payment received

4. Factual Background

The Complainant operates an online business called "Sensory Toy Warehouse" selling sensory toys for children with special needs. She has used that trading name since March 2008 and operates her business through her website at www.sensorytoywarehouse.com and through an eBay shop and on Amazon. (The Complainant says she also operates her business through a website at www.sensorytoywarehouse.co.uk, but I was unable to access that website when I tried.)

The Domain Name was registered on 14 April 2011 with the Registrant stated to be "*Parents of disabled children*". That is the name of a forum operated by a Mr Daniel Edwards who also runs (through a limited company) an online business called "Cheap Disability Aids" that also sells sensory toys for children with special needs. I shall refer to the Respondent as Mr Edwards.

On 11 April 2011 the Complainant had cause to complain to Mr Edwards about the wholesale copying of images and text from her website which were being used on Mr Edwards' website at www.cheapdisabilityaids.co.uk. Three days later, Mr Edwards registered the Domain Name which then resolved to his website at www.cheapdisabilityaids.co.uk. It now resolves to its own website, but it also uses the Cheap Disability Aids trading name and is substantially similar to the website at www.cheapdisabilityaids.co.uk, although with less functionality.

5. Parties' Contentions

Complainant:

In summary the Complainant says that:

- The Domain Name is very similar to her trading brand name 'Sensory Toy Warehouse' which she has used since March 2008 for an online business she operates through her websites at www.sensorytoywarehouse.co.uk and www.sensorytoywarehouse.com and through an eBay shop (since 2008) and on Amazon (since 2011).

- She operates exclusively as an online retail store specialising in sensory toys for children with special needs, and her online branding and reputation is essential to her success and commercial survival.
- She originally started trading under the name of 'The Novelty Warehouse' in November 2006, and then changed her trading name to 'Sensory Toy Warehouse' in March 2008. At that time she felt it was vitally important to retain the word 'Warehouse' in her business name as the brand name 'The Warehouse' was already established with many of her customers.
- The name "The Warehouse" is not generic but is an important element and identity of her brand. Even Mr Edwards himself has referred to her business as 'The Warehouse' when he claims to be '*Cheaper than The Warehouse*' in his advertising.
- The purchase of the Domain Name by Mr Edwards is abusive, and is leading to confusion with her customers and in her market, and therefore causing unfair harm to her business and her reputation.
- Removing the word 'toy' from the middle of her trading name of 'Sensory Toy Warehouse' is not sufficient to prevent confusion. The name 'Sensory Warehouse' is already well established as a short form name for her business amongst her customers, business associates, and in her market.
- She herself was confused by the use of the Domain Name when she first came across it on 9th May 2012 as a website link, and realised that it resolved to Mr Edwards' "Cheap Disability Aids" website and not her own website. Her initial reaction was to contact her web support company to find out what had happened as she had not realised it omitted the "toy" element from her website address and had believed it was a website link using her own domain name of sensorytoywarehouse.co.uk and could not understand why it resolved to a competitor website.
- The words 'Sensory Warehouse' have no relevance to Mr Edwards trading name of 'Cheap Disability Aids', or the name 'Cheap Sensory Toys' which he also uses at www.cheapsensorytoys.co.uk. The only benefit to him of the purchase of the Domain Name would be to unfairly take advantage of her business branding, gaining higher ranking in the search engines alongside her brand name and to grow his business much more quickly by using her established brand trade name and reputable position within the special needs market.
- She shoots and produces her own images for use on her website rather than using suppliers' 'stock' images, and she creates exclusive text to describe the products and their benefits. This is an extremely important element of her business as it makes her totally unique in the market.
- Mr Edwards has ignored copyright law by copying and using her images and website wording in order to produce a website that looked like her website. The appearance of her images and wording on Mr Edwards' Cheap Disability Aids website will certainly have contributed to the confusion of customers, and created a false impression that they are associated.

- Mr Edwards also uses the Complainant's business name (and many other competitor companies' brand names) in his website keywords and metatags, for example, "*sensory toys, sensory toy discounted warehouse, sensory toy warehouse prices, sensory toy warehouse discounts, the sensory toy cheap warehouse*".
- Mr Edwards was also using the Complainant's images on his eBay shop, including images of the Complainant's own children. After she complained to eBay he did remove the images of her children, but he did not remove her other images. However, he then stopped trading on eBay as he received so much negative feedback for not looking after his customers, including non-delivery of goods.
- Mr Edwards started his Cheap Disability Aids business in October 2010, and she first contacted him by email on 11th April 2011 to request he remove all infringing copyright images and text, including those of her two children. The Domain Name was acquired by him 3 days later on 14th April 2011 in an aggressive response to her email complaint. The motive was to try to create disruption to her business.
- Mr Edwards was very aware of her business before the registration of the Domain Name as he had obviously spent a considerable amount of time on her website as virtually every product he had produced on his website contained her images, her wording, or both.
- Mr Edwards is already well known to Birmingham Trading Standards as they took him to court in 2008 and he was fined £4,000 for repeatedly taking customer's money for deposits for children's parties that he did not turn up to. Mr Edwards has also been exposed on BBC's Watchdog programme three times for taking money for children's parties and not turning up. He also ran a leaflet delivery company that took customer's money but didn't deliver. He has 12 reports filed against him on the website www.ripoffreport.com from unhappy customers.
- She has reported Mr Edwards to Birmingham Trading Standards in respect of the copyright infringement relating to her images and website text. When Trading Standards asked for a list of all the copyright infringements the list at the time totalled 30 pages. Following several letters and visits from Birmingham Trading Standards, Mr Edwards has now been invited for formal interview.
- A short time ago she was horrified to find that her business was the subject of an adverse report on the www.ripoffreport.com website, which is total fabrication. She believes Mr Edwards is responsible for the false report and that it is very damaging for her business.
- Mr Edwards's response to her complaint about copyright infringement has been very aggressive, declaring a price war and even naming some of his products after her and one of her staff - "Moody Liz Mop Head" and "Moody Sophie".
- She now has to spend time watermarking all of her own images, although even this didn't deter Mr Edwards as he cropped around the watermark on one image.
- When one of her staff viewed Mr Edwards website he traced their IP address, and, believing it to be the Complainant, started threatening conversations through his website Chat Service.

- It is very evident that from the very start Mr Edwards' intention has always been to mislead and confuse the Complainant's customers to reap the benefits of her hard work.

Respondent:

In summary, the Respondent says in his Response that:

- The Domain Name has been active for a long period and at no point has it been used to pass off as the Complainant's business. The website's identity is clearly unique and *"does not replicate or copy the clearly dated and old fashioned website thrown up by the lady making the complaint"*.
- The Complainant *"has issues in which she makes up obvious lies and actually commits defamation of character trying to defend her failing business"*.
- The Domain Name is clearly a generic one. The word "sensory" is being used by many other companies operating around the world. The word "warehouse" is also a generic word and applies to his business as they are based in a warehouse with significant historical interest in the local area.
- The Complainant's reference to Trading Standards has no relevance to the complaint made about the Domain Name.
- The majority of the complaint *"is irrelevant to the foundation of nominets [sic] legal framework and as such the comments contained are not relevant"*.
- It is the Nominet Expert's job to judge on the one issue only: Is the Domain Name registration abusive?
- At no point has the Domain Name been used in an abusive way. The identity of the website is unique to the Respondent and does not replicate the Complainant's website.
- The Domain Name has not been used to extort payment.
- There will be no mediation at any point and he will strictly defend the Domain Name having already spoken to solicitors who are on standby to defend the name.
- The Complainant has issued a complaint to Trading Standards as regards copyright under criminal law and as such the Domain Name is subject to legal action.

6. Discussions and Findings

I should deal first with Mr Edwards' point that as the Complainant has issued a complaint to Trading Standards regarding copyright infringement, which is a criminal offence, then the Domain Name is subject to legal action.

Paragraph 20 of the DRS Procedure states as follows:

"20. Effect of Court Proceedings

a. If legal proceedings relating to a Domain Name are issued in a court of competent jurisdiction before or during the course of proceedings under the DRS and are brought to our attention, we will suspend the proceedings, pending the outcome of the legal proceedings.

b. A Party must promptly notify us if it initiates legal proceedings in a court of competent jurisdiction in relating to a Domain Name during the course of proceedings under the DRS."

Even assuming that criminal proceedings against a party, as opposed to civil proceedings, are, for the purposes of Paragraph 20 of the DRS Procedure, legal proceedings issued in a court of competent jurisdiction, there is nothing in the complaint or the response to suggest that the Complainant's separate complaint to Trading Standards has resulted in any criminal prosecution. But in any event, that complaint is an entirely separate matter and relates to alleged copying of images and website text. Neither that complaint itself nor any action that might be taken by Trading Standards resulting from it relates to the Domain Name. As such, Paragraph 20 of the DRS Procedure has no application and there is no reason to suspend these DRS proceedings.

General

In order to succeed the Complainant must prove, on the balance of probabilities, two matters, i.e. that:

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

These terms are defined in the Nominet UK DRS Policy as follows:

- **Rights** means rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning.
- **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

Mr Edwards says that the Domain Name is clearly a generic one. I will deal with that contention later when discussing the issue of Abusive Registration. But in fairness to Mr Edwards, I assume that he is also making the more general point that he considers the Complainant's trading name to be generic and incapable of being Rights upon which she can rely for the purposes of Nominet's DRS.

In support, he points out that the word "sensory" is being used by many other companies operating around the world and that the word "warehouse" is also a generic word. Whilst that is undoubtedly true, and the same point could be made about the word "toy", the issue is not whether the words "sensory", "toy" and "warehouse" are, separately, each generic words. The issue is twofold:

a) whether or not the words i) "sensory", "toy" and "warehouse" or ii) "sensory" and "warehouse" are, in combination, a generic descriptive term for the type of business operated by the Complainant; and

b) even if they are, has either term acquired a secondary meaning such that it has become a recognised name denoting the Complainant's business?

The Complainant previously traded as "The Novelty Warehouse" and considered the "warehouse" element of the name to be very important and recognised by her customers. She therefore wanted to keep that goodwill when she changed her trading name to "Sensory Toy Warehouse". Given the nature of the business, she believes the addition of the word "toy" to be largely irrelevant and says that "Sensory Warehouse" is already well established as a short form name for her business amongst her customers, business associates, and in her market. She has provided several examples of third parties referring to her business as "Sensory Warehouse", and points out that even Mr Edwards refers to her business as "The Warehouse" when making price comparison claims.

The trading name "Sensory Toy Warehouse" clearly alludes to the nature of the Complainant's business, and the same could be said to a lesser extent of the name "Sensory Warehouse". However, on balance, I do not believe that either name, and particularly the name "Sensory Warehouse", is entirely descriptive of the nature of the Complainant's business.

In any event, the Complainant has been using the trading name "Sensory Toy Warehouse" since 2008. In addition, the particular area of business in which the Complainant operates seems to be very niche and aimed at a narrow target market. In those circumstances, a name can acquire a secondary meaning within that particular market more quickly than where the business operates in a wider and more crowded market.

In the circumstances, I find that the Complainant does have Rights in the names "Sensory Toy Warehouse" and "Sensory Warehouse", each being a name or mark which is identical or similar to the Domain Name.

Abusive Registration

In my view, this is a very clear case of a domain name having been acquired and used in an Abusive manner.

In reaching that conclusion I have taken no account of the Complainant's references to Mr Edwards' other unconnected business interests that she says have featured on the BBC's Watchdog programme and been the subject of numerous complaints to Trading Standards. I have concentrated solely on the issues and allegations relevant to the DRS Policy as explained below.

Paragraph 3. a. i. B, Paragraph 3. a. i. C and Paragraph 3. a. ii of the DRS Policy (being factors which may be evidence that the Domain Name is an Abusive Registration) are clearly relevant, i.e.:

Paragraph 3. a. i. B "Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily as a blocking registration against a name or mark in which the Complainant has Rights;"

Paragraph 3. a. i. C "Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily for the purpose of unfairly disrupting the business of the Complainant."

Paragraph 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."

The Domain Name was acquired three days after a complaint was made by the Complainant to Mr Edwards about the copying and use of her images and website text. Having acquired the Domain Name, Mr Edwards then caused it to resolve to his competing website. Mr Edwards says that the Complainant "*makes up obvious lies and actually commits defamation of character*", but he does not give any details of what he challenges as being lies. And as the Complainant points out, when she was asked by Trading Standards to identify the particular images and text that had been copied, the list she provided was 30 pages long. She has provided numerous examples in support of her complaint to Nominet. On any reading, Mr Edwards has indulged in wholesale slavish copying of substantial parts of the Complainant's website and used them on the website of his competing business.

Mr Edwards claims that he has not used the Domain Name to pass off his business as being the Complainant's business and the identity of his website is unique and does not replicate the Complainant's website. Whilst it does not replicate all of it, it clearly has replicated substantial parts of it. And whilst Mr Edwards' business trading name of "Cheap Disability Aids" is materially different to "Sensory Toy Warehouse" or "Sensory Warehouse" and the overall initial look and feel of the website may not be identical, that does not save Mr Edwards from an Abusive Registration finding.

Section 3.3 of the DRS Experts' Overview explains that the 'confusion' referred to in Paragraph 3. a. ii of the DRS Policy is confusion as to the identity of the person or entity behind the domain name. The Overview is published on Nominet's website and is intended to assist all participants or would-be participants in disputes under the DRS Policy by explaining commonly raised issues and how Experts have dealt with those issues to date.

A customer or potential customer of the Complainant who is used to seeing and dealing with the Complainant's website and who then, for whatever reason, visits www.sensorywarehouse.co.uk, would be met with images and text describing the products that are identical to that which they are used to seeing on the Complainant's website, even including photographs of the Complainant's own children. Whilst the trading name of the business may be different and there may be other substantial differences in content and layout of the website, the fact that it includes identical images and product text must lead to a significant risk that such a visitor would be confused into believing that there is a link with the Complainant's business and that the website is registered to, operated or authorised by, or otherwise connected with the Complainant.

It does not assist Mr Edwards even if such a visitor very quickly realised that they had found a different website unconnected to the Complainant.

"Sensory Warehouse" is a short form name used by third parties to refer to the Complainant's business. It seems almost inevitable that some customers and prospective customers of the Complainant who may have been looking for her website could have come across or been directed by search engines to www.sensorywarehouse.co.uk. Even the Complainant herself was confused when she first came across it, having failed to notice that it did not include the word "toy" in the middle of the address. Believing it to be a link to her own website, she contacted her web hosting company to find out why it resolved to a different website.

But even if someone who then visited the website in the expectation of finding the Complainant's website would have realised they had found a different website, the fact that they were directed there as a result of initially having been confused by the similarity of web address is clearly relevant.

Such "initial interest confusion" is generally accepted by Nominet DRS Experts, the members of Nominet's panel of independent adjudicators, as being sufficient to support a finding that such use of a Domain Name by a Respondent is Abusive use for the purposes of the DRS. This is made clear in section 3.3 of the DRS Experts' Overview when it discusses what is meant by confusing use for the purposes of Paragraph 3. a. ii of the DRS Policy.

At section 3.3 it states as follows:

"Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain name in issue. Similarly, there is bound to be a severe risk that an Internet user guessing the URL for the Complainant's web site will use the domain name for that purpose.

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.

Findings of Abusive Registration in this context are most likely to be made where the domain name in issue is identical to the name or mark of the Complainant and without any adornment (other than the generic domain suffix). See for example DRS 00658 (chivasbrothers.co.uk)."

That is the case here.

Mr Edwards says that the Domain Name is clearly a generic one. He points out that the word "sensory" is being used by many other companies operating around the world and that the word "warehouse" is also a generic word and applies to his business as it operates from a warehouse.

If the Domain Name is a generic or descriptive name then Paragraph 4. a. ii of the DRS Policy, being one of the factors which may be evidence that the Domain Name is not an Abusive Registration, would have been potentially relevant i.e.

Paragraph 4. a. ii *"The Domain Name is generic or descriptive and the Respondent is making fair use of it"*

However, as discussed above when considering the Complainant's Rights, I do not accept that the name "Sensory Warehouse" is generic or descriptive of the type of business operated by the Complainant. But even if it had been, Mr Edwards would still need to have been making fair use of it in order to rely upon Paragraph 4. a. ii of the DRS Policy. The use he has made of the Domain Name is about as far removed from being "fair" as it is possible to be.

And it does not matter that, as Mr Edwards puts it, *"the Domain Name has not been used to extort payment"*. That would simply have been additional Abusive conduct.

7. Decision

For the reasons outlined above I find that the Complainant has proved, on the balance of probabilities, that she has Rights in respect of the names "Sensory Toy Warehouse" and "Sensory Warehouse", each being a name or mark which is identical or similar to the Domain Name, and that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

In the circumstances I order that the Domain Name be transferred to the Complainant.

Chris Tulley

Signed

Dated 7 August 2012