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DISPUTE RESOLUTION SERVICE

D00012937

Decision of Independent Expert

ASH Wales Limited

and

Brett Horth

1. The Parties:

Complainant: ASH Wales Limited
14-18 City Road
Cardiff
United Kingdom
CF24 3DL
United Kingdom

Respondent: Mr Brett Horth
23 Swan Court
Mangles Road
Guildford
Surrey
GU1 1PY
United Kingdom

2. The Domain Name:

ashwales.co.uk

3. Procedural History:

I confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of a such a nature as to call in to question my independence in the eyes of one or both of the parties.

13 June 2013 15:41	Dispute received
14 June 2013 09:17	Complaint validated
17 June 2013 10:08	Notification of complaint sent to parties
17 June 2013 16:26	Response received
17 June 2013 16:27	Notification of response sent to parties
18 June 2013 09:58	Reply received
18 June 2013 09:59	Notification of reply sent to parties
18 June 2013 09:59	Mediator appointed
21 June 2013 10:02	Mediation started
11 July 2013 14:56	Mediation failed
11 July 2013 14:56	Close of mediation documents sent
16 July 2013 10:54	Expert decision payment received

4. Factual Background

The Complainant is a charity dedicated to reducing the harm caused by tobacco in Wales. "ASH" stands for 'Action on Smoking & Health'. ASH was originally established in London in 1971 by the Royal College of Physicians as ASH UK. The Complainant, ASH Wales, was established in 1976 as a branch of ASH UK. In 2007 The Complainant became an independent organisation incorporated as a charity.

Between June 2007 and April 2011, the Complainant used the Domain Name to resolve to its main website. In April 2011 the Complainant developed a new website and decided to start using the ashwales.org.uk domain name in place of the Domain Name.

The Complainant subsequently failed to renew the Domain Name, which the Complainant says was an inadvertent error on its part. The Respondent subsequently bought the Domain Name for £4,000 and has used it to resolve to a website at www.ashwales.co.uk which sells electronic cigarettes as an aid to giving up smoking under the name "Alternative Solutions for Health Wales (A.S.H.)".

5. Parties' Contentions

Complainant's Complaint

In its Complaint the Complainant says in summary:

- it is the leading voluntary organisation in Wales tackling tobacco use;
- ASH (Action on Smoking & Health) was established in London in 1971 by the Royal College of Physicians. The Complainant, ASH Wales was established in 1976 as a branch of ASH UK and acted for many years under the auspices of ASH UK;
- in 2007 the Complainant became an independent organisation incorporated as a charity and a company limited by guarantee;
- from June 2007 to April 2011 the Complainant used the Domain Name to resolve to its website.

- in April 2011 the Complainant had a new website developed and changed to using the domain name <ashwales.org.uk>. This change was to bring it into line with other ASH organisations in the UK;

- the Complainant kept its registration of the Domain Name, but forgot to renew it on its expiry;

- on 10 June 2013 it became aware that the Domain Name had been bought by the Respondent who was using it to resolve to a website promoting electronic cigarettes and using the ASH Wales name as part of the website address www.ashwales.co.uk;

- on 11 June 2013 the Complainant wrote to the Respondent in an attempt to retrieve the Domain Name. The following day there was a telephone conversation between the Respondent and the Complainant's chief executive in which the Respondent confirmed that he had bought the Domain Name for £4,000 and would not part with it;

- the Respondent is a director of Vapouriz Limited which trades through its website at www.vapouriz.co.uk selling electronic cigarettes. That website previously had various references to ASH Wales which have since been removed at the request of the Complainant;

- the ASH Wales name is integral to the reputation of the Complainant and the Complainant does not endorse electronic cigarettes in any way as it believes they are not proven to be either safe or effective. But the use of the Domain Name by the Respondent makes it look like the Complainant is promoting the use of electronic cigarettes;

- it was a mistake on the Complainant's part that the Domain Name was not renewed when it was due to expire because the Domain Name had been held in the name of its previous web designers;

- the Respondent's use of the Domain Name in association with his website at www.ashwales.co.uk creates confusion. In particular, it confuses people who are looking for the Complainant and misrepresents what the Complainant does and its charity vision and mission;

- when discussing the matter on the phone, the Respondent admitted that he had bought the Domain Name specifically because he hoped he would benefit from its previous links to the Complainant from when it was used by the Complainant to resolve to its website;

- the Complainant is very concerned as a charity that the Respondent is falsely passing himself off as the Complainant or as being affiliated to the Complainant;

- because the Complainant only recently changed its Domain Name and web address it is very likely that previous promotional material or links to its previous web address using the Domain Name will remain in previous advertising which will direct people to its previous web address at www.ashwales.co.uk and the Respondent's use of that web address will mislead people who are looking for the Complainant charity and confuse people about the nature of the Complainant's work.

Respondent's Response

In summary, in his Response the Respondent says as follows:

- he registered the Domain Name because it was available on the market, relevant to his industry, and "*has significant link equity value with regards to search engine optimisation*";

- he paid £4,000 for the Domain Name;

- he registered the Domain Name in good faith because government initiatives such as the Complainant's are often terminated at which point it is not uncommon for the associated domain names to be allowed to expire. Such domain names are extremely useful for his business because they have a relevant history and he has a legitimate use for the Domain Name;

- he is not trying to pass himself off as anyone else;

- when he purchased the Domain Name there were no registered trade marks for the name "ASH Wales" which would have been the normal way to protect commercial interests;

- on 10 June 2013 the Complainant's chief executive contacted him and apologised and agreed that it was the Complainant's fault that the Domain Name had not been renewed and that the Complainant wished to purchase the Domain Name back for its nominal registration fee. The Complainant refused to pay anything other than the nominal registration fee even though the Respondent had purchased the Domain Name for a great deal of money;

- the Complainant applied to register a trade mark for ASH Wales on the same day that its chief executive contacted the Respondent. This was an underhand attempt to regain the Domain Name and an admission of the Complainant's guilt. The Respondent is planning to oppose the trade mark application;

- other similar government initiatives for example "Smoke Free" which used the smokefreeengland.co.uk domain name was allowed to expire and was purchased by commercial interests, which is what normally happens for all such domain names in the world;

- the Complainant allowed the Domain Name to lapse which has resulted in this dispute. The Complainant clearly had no interest in the Domain Name as it must have been warned on numerous occasions by Nominet as well as by the former registrars that its registration of the Domain Name was about to expire. The Complainant must have ignored at least five separate warnings of the pending expiration of the Domain Name registration and had taken an active decision to allow it to expire;

- even after expiry, the Domain Name would have been dormant for a further 90 days during which the Complainant's mistake could have been noticed and rectified;

- this is clearly not a case of a simple mistake as the Complainant explained to the Respondent but a deliberate intention to drop the Domain Name registration by its former registrants who now, in hindsight, have decided that they want the Domain Name again. However, it is now too late as the Respondent has invested considerable resources in the Domain Name;

- if the Respondent intentionally decided to drop his brand name he would not have any chance of recovering it from anyone else who bought it in good faith without any form of trade mark protection for the name, which is the proper and only protection against others registering Domain Names with similar names;

- the Respondent believes in good faith that the Domain Name has value for his business and he has registered it according to Nominet's rules and regulations;

- he would be willing to discuss the sale of the Domain Name for £5,000 but he would not be willing to make a loss on his initial purchase. The more the dispute progresses the more it will cost the Respondent to defend in time, money and effort and that will increase the price of the Domain Name.

Complainant's Reply

In its Reply in summary the Complainant states as follows:

- the Complainant is far from being a one-off government initiative and now receives less than 25% of its income from government sources. It has been in existence since 1976 and operated as a limited company and charity since 2007;

- there are also 'ASH Scotland' and 'ASH England' which are also established well-known charities;

- the Complainant's recent application to register its ASH WALES trade mark is not relevant and has been done to give it more protection in case there are any future claims on the ASH Wales name;

- the amount paid by the Respondent for the Domain Name is very unfortunate but the cost price for a domain name like this would be around £5;

- the fact that the Domain Name is now controlled by the Respondent creates confusion in the market place in relation to those who are looking for the Complainant and it misrepresents what the Complainant does and its charity vision and mission;

- the Respondent was using the ASH Wales name on his www.vapouriz.co.uk website prior to the phone conversation between the Respondent and the Complainant on 12 June 2013. The Complainant therefore believes that the Respondent was knowingly attempting to pass-off his website as being endorsed by the Complainant or at least as being affiliated to the Complainant which is inappropriate and untrue.

6. Discussions and Findings

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 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

The Respondent is incorrect when he contends that registered trade mark protection is the only protection against third parties registering domain names with similar names. For the purposes of the Nominet DRS, Rights upon which the Complainant can rely are not restricted to registered trade mark rights but extend to any rights that are enforceable, whether under English law or otherwise.

Therefore the fact that the Complainant had no registered trade mark protection for the ASH WALES name when the Respondent acquired the Domain Name is not determinative. The Complainant (and its predecessor) has used the name "ASH Wales" for a significant period of time in relation to its activities, which aim to reduce and eventually eliminate health problems associated with smoking and tobacco use. The use of the ASH Wales name over such a significant period of time will undoubtedly have given the Complainant unregistered common law passing-off rights and those rights are sufficient to be Rights for the purposes of the Nominet DRS.

I therefore find that the Complainant does have Rights in the name ASH WALES being a name which is identical to the Domain Name, ignoring the .co.uk suffix.

Abusive Registration

The Complainant alleges that the Respondent's use of the Domain Name to resolve to a website selling an anti-smoking aid will confuse members of the public who are searching for the Complainant's website as they will be deceived into believing that the Complainant is endorsing the use of electronic cigarettes when it does not do so.

The likelihood of such confusion occurring is one of the factors that may be evidence that the Domain Name is an Abuse of Registration in the hands of the Respondent under paragraph 3(a)(ii) of the Nominet DRS Policy i.e. that there are "*circumstances indicating that the Respondent is using or threatening to use the Domain Name in a way which has confused or is likely to confuse people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant*".

However, the Respondent claims that he has a legitimate use for the Domain Name which he acquired in good faith. The Respondent could therefore point to paragraph 4(a)(i)(A) of the Nominet DRS Policy, being one of the factors which may evidence that the Domain Name is not an Abusive Registration in his hands i.e. that "*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".

The key point made by the Respondent is his belief that the Complainant was not able to complain even if it wanted to because it had voluntarily given up the Domain Name and had not protected the ASH Wales name by way of trade mark registration. I believe it is clear that the Respondent knew full well that he was taking opportunistic advantage of the situation, but I am prepared to accept that the Respondent genuinely held the belief, albeit mistakenly, that the Complainant was unable to do anything about it because it did not have any registered trade mark protection.

Notwithstanding that belief, the Respondent in his Response confirmed that one of the key reasons why he acquired the Domain Name was because he knew it had "*significant link equity value with regards to the search engine optimization"* and was a domain name "*having relevant history*" which was "*extremely useful for my business*".

It is therefore clear that when acquiring and subsequently using the Domain Name the Respondent was fully aware of its association with the Complainant which he knew would be of significant value to his business selling an anti-smoking device.

The fact that the Domain Name has such an historical association with the Complainant makes the likelihood of confusion readily apparent should it be used by a third party for anything to do with tobacco smoking. Because of that historical association and its associated reputation and goodwill, many Internet users who search for the Complainant's website on search engines may well assume that the www.ashwales.co.uk website will be the Complainant's website. When they visit that website it is now offering electronic cigarettes for sale as an anti-smoking aid. The Complainant is rightly concerned that visitors may believe the Complainant is now endorsing the use of electronic cigarettes, which it does not do because it believes their safety has not yet been proved.

Even if other visitors to the website immediately realise that it is not the Complainant's website and do not assume any sort of endorsement connection, they may well have visited the site in the initial hope and expectation that it would be a website *"operated or authorised by or otherwise connected with the Complainant*".

This is what is known as 'initial interest confusion' and is commented on in the DRS Experts' Overview, which is published on the Nominet website to assist all participants or would-be participants in disputes under the DRS Policy by explaining commonly raised issues and how Experts, the members of Nominet's panel of independent adjudicators, have dealt with those issues to date and identifying any areas where Experts' views differ. The DRS Experts' Overview makes clear that the overwhelming majority of Experts view initial interest confusion as being a possible basis for a finding of Abusive Registration particularly where, as in this case, the Domain Name is identical to the name or mark of the Complainant and without any adornment other than the generic domain suffix. As the Experts' Overview comments, the vice of initial interest confusion is that even if it is immediately apparent to the visitor to the website that the site is not in any way connected with the Complainant, the visitor has been sucked in and deceived by the domain name.

It is indeed unfortunate that the Complainant failed to renew the Domain Name, which it says was entirely inadvertent because it had been held by its previous web designers on its behalf. If that is the case, the various reminders which the Respondent pointed out would have been sent prior to the expiry of the registration of the Domain Name would not necessarily have reached the Complainant.

The Complainant states that the cost price for registering a domain name like the Domain Name would only be about £5, despite the Respondent's claim to have paid £4,000 for it. Whilst domain names can be registered initially very cheaply, that does not alter the fact that there is a substantial after-market involved in the buying and selling of domain name registrations and some are sold for very significant sums. It is entirely plausible that the Respondent will have paid £4,000 to acquire the Domain Name shortly after it became available when the Complainant failed to renew its registration. But the after-market value of the Domain Name is likely very largely to be due to its known association with the Complainant and its anti-smoking activities.

In any event, whatever the price subsequently paid for the Domain Name by the Respondent, the Complainant's failure to renew the Domain Name is not a licence to third parties such as the Respondent knowingly to take advantage of the Domain Name's historical connection with the Complainant for the purpose of his business selling an anti-smoking aid. When such use is likely to confuse people or businesses into believing that the Domain Name is still registered to, operated or authorised by, or otherwise connected with the Complainant, such use means that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

7. Decision

For the reasons outlined above I find that the Complainant has proved, on the balance of probabilities, that it has Rights in respect of the name ASH WALES, 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.

Signed ..... **Dated 14 August 2013**

Chris Tulley