

DISPUTE RESOLUTION SERVICE

D00013029

Decision of Independent Expert

About A Baby Pty Ltd

and

Chloe Anne Mallows t/a Poco Baby

1. The Parties:

Complainant: About A Baby Pty Ltd
PO Box 717
Brentford Square
Victoria
3131
Australia

Respondent: Chloe Anne Mallows t/a Poco Baby
17 Hale Lane
Otford
Sevenoaks
Kent
TN14 5NP
United Kingdom

2. The Domain Name(s):

amby.co.uk

3. Procedural History:

I can 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.

02 July 2013 13:00 Dispute received
02 July 2013 13:35 Complaint validated
02 July 2013 14:04 Notification of complaint sent to parties
19 July 2013 02:30 Response reminder sent
19 July 2013 14:51 Response received
19 July 2013 14:51 Notification of response sent to parties
24 July 2013 02:30 Reply reminder sent
25 July 2013 14:26 Reply received
25 July 2013 14:26 Notification of reply sent to parties
25 July 2013 14:26 Mediator appointed
30 July 2013 10:28 Mediation started
08 August 2013 10:44 Mediation failed
08 August 2013 10:45 Close of mediation documents sent
12 August 2013 14:16 Expert decision payment received

4. Factual Background

The Complainant is an Australian company which holds the worldwide manufacturing rights to Amby Baby Hammocks. The business has traded under the name 'Amby' since 1989. The Complainant is the proprietor of a UK registered trade mark 2643210 for the word mark AMBY in respect of hammocks, baby hammocks and infant hammocks registered with effect from 23 November 2012. The Complainant's primary domain names are babyhammocks.com and amby.com.au.

The Respondent was the former UK distributor for Amby Baby Hammocks. It registered the Domain Name on 2 May 2006 in that capacity.

The Respondent's distribution rights have ended. The parties have put forward different reasons about why the distribution arrangement came to an end but they both agree that it has terminated. The Complainant has produced an email to the Respondent from the Complainant's predecessor in title revoking the agreement on 3 February 2013. The notice states that the Respondent should cease trading under the Amby brand with immediate effect and it notifies the Respondent that the Amby mark has been registered as a trade mark. There is no evidence before the Expert that the distribution agreement contained any terms relating to the Domain Name.

Following the termination of the distribution agreement the Respondent launched a website at www.pocobabyhammocks.co.uk selling a range of baby hammocks in competition with the Complainant. In addition to this new website, the

Respondent has retained the Domain Name and maintains a website at that address (the Domain Name website). Initially, the wording on the Domain Name website included the following text (which appeared beneath a banner featuring the Amby mark):

"WE ARE CURRENTLY UNDERGOING SOME PRODUCT CHANGES. BUT DON'T WORRY THE NEW HAMMOCK WILL BE AVAILABLE WITHIN A FEW WEEKS. YOU CAN PRE-ORDER FROM OUR NEW WEBSITE WHICH WILL BE LIVE AROUND 22 MARCH OR CALL TO ORDER YOUR HAMMOCK IN ADVANCE. EMAIL US AND WE WILL ADVISE YOU WHEN THE SITE IS READY enquiries@amby.co.uk.

Your baby will love and thrive in the Amby Baby Hammock... The movement and snug feeling your baby will experience in the Amby gives your baby a familiar sensation of mother's womb enabling your baby to relax, rest and sleep..."

(This text is extracted from a screenshot as at 19 March 2013 which is exhibited with the Complaint). The above text is referred to as the First Version of the Domain Name website in this Decision.

When the Respondent's new website became operational the Domain Name website changed to read as follows:

"Amby UK no longer sell the Amby Baby Hammock. We have made some modifications and improvements to the product and rebranded it for the UK and World Wide distribution.

You can find our Baby Hammock here on our new site:

www.pocobabyhammocks.co.uk

Please note: other than the frame this is not the same as the **Amby Baby Hammock...**

Please contact us regarding new parts to your Amby and we can advise if they are compatible"

(This text is extracted from a screenshot as at 21 June 2013 which is exhibited with the Complaint). The above text is referred to as the Second Version of the Domain Name website in this Decision.

Subsequently the Respondent made further changes to the wording of the Domain Name website to read:

"We have rebranded for the UK and World Wide distribution. You can find our Baby Hammock here on our new site: www.pocobabyhammocks.co.uk.

Please contact us regarding new parts to your Amby and we can advise if they are compatible."

(This text is extracted from a screenshot as at 2 July 2013 which is exhibited with the Complaint). The above text is referred to as the Third Version of the Domain Name website in this Decision.

5. Parties' Contentions

The Complainant

The Complainant asserts that it has Rights in the mark AMBY by virtue of its UK registered trade mark.

It submits that the Respondent's use of the Domain Name since termination of the distribution arrangement has been abusive because:

The Respondent has mislead and deliberately confused internet users into believing they were purchasing genuine Amby Baby Hammocks by using statements such as "we have rebranded for the UK and worldwide distribution" on the Domain Name website and then redirecting users to its new Poco Baby website. The Complainant has received a number of emails from users seeking clarification about the Complainant's relationship to the Respondent. In support, it exhibits an email dated 20 February 2013 addressed to support@amby.com.au enquiring whether Amby UK [i.e. the Respondent] were selling genuine Amby products.

The Domain Name is causing confusion to the detriment of the Complainant's business. It has received emails from customers who have mistakenly purchased what they believed to be a genuine Amby product from the Respondent and found it to be of poor quality. In support, the Complainant exhibits an email dated 26 June 2013 addressed to support@amby.com.au complaining about the quality of a replacement mattress purchased from Amby UK [i.e. the Respondent].

The Respondent is no longer authorised to trade under or use the AMBY name. It is unfair and inappropriate that they continue to hold the Domain Name for a trademarked brand name of a business they are no longer associated with. It is unfair and misleading that the trademarked business name AMBY is now used to redirect consumers to the Respondent's competing brand, Poco Baby Hammocks.

Even after rewording, the Domain Name website remains misleading. The photograph used on the amby.co.uk homepage shows an image of a baby hammock that appears to be identical to the Complainant's hammock product. The customer is then redirected with a link to the Respondent's competing Poco Baby website.

There are many internet discussions on various forums regarding Amby Baby Hammocks and many back links from previous blog posts, articles, advertisements etc. that continue to link to the Amby.co.uk page. It is unfair that consumers conducting searches for information about Amby will be led to

the Domain Name when the information presented redirects them to a competing business.

The use of the Domain Name adds to confusion between the Complainant and the Respondent. The Complainant has supplied eBay UK and Gumtree UK sales listings as at 13 July 2013 which it says show confusion between the Parties' respective brands (e.g. a listing for "Amby Nature Nest- now known as Poco Baby Hammock" and a listing for "Amby/Poco Hammock").

The Respondent

The Respondent submits that It would be unfair if it were ordered to transfer the Domain Name. The Respondent was the first to distribute a baby hammock in the UK for over 10 years. It has invested thousands of pounds and has grown the business from nothing. It is unfair that it should have to hand over a domain name that it has worked with for over 10 years.

It disputes that its use of the Domain Name is abusive.

It points out that there is nothing negative on its webpage about Amby. It is simply stating to customers and those finding the Domain Name website as a result of its work and expenditure over the last 10 years, that it no longer distributes Amby Hammocks but has an alternative product for consumers in the UK.

The Respondent is not claiming to be Amby and does not therefore require authority from Amby to use the Domain Name.

In order to be reasonable and amicable the Respondent changed the wording on the Domain Name website to a different message to help to resolve the issues and to avoid any confusion. The new message (referred to in this Decision as the Third Version of the Domain Name website) could not be clearer for customers.

Even if there were confusion, it would be irrelevant as it does not amount to abuse.

The Respondent has received no complaints about the quality of its products but has in any event changed the wording of the website to avoid such confusion in future.

6. Discussions and Findings

Under Paragraph 2 of the Nominet Dispute Resolution Service Policy (the Policy) In order for the Complainant to succeed it must establish on the balance of probabilities, both:

that it has Rights in respect of 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 as defined in Paragraph 1 of the Policy.

Rights

Rights are defined in Paragraph 1 of the 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."

The Complainant has established that it owns a registered trade mark in the AMBY mark in the UK registered in November 2012. There are no submissions to suggest that the registration is invalid. The trade mark registration is identical to the Domain Name (it being customary to ignore the .co.uk suffix).

Unregistered Rights may also have accrued through use of the Amby mark prior to registration of the trade mark, although there is limited information before the Expert on this issue.

The Expert finds that the trade mark registration confers Rights on the Complainant as defined in the Policy and the Complainant succeeds under the first element.

Abusive Registration

An Abusive Registration is defined in Paragraph 1 of the Policy as follows:

"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".

The Complainant does not complain about the registration of the Domain Name. Its case is based solely on the continued use of the Domain Name by the Respondent after termination of the distribution arrangement in February 2013. In considering this matter the Expert has had regard to the decision of the DRS Appeal Panel in *Normalu S. A. v Stretch Ceilings (U.K.) Ltd* (DRS 06995 dated 12 November 2009) which also concerned continued use of a Domain Name by a former distributor following termination of a distribution agreement.

Paragraph 3a of the Policy provides non exhaustive guidance about what may amount to Abusive Registration. This includes the following:

- ii. 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;

The above definition of Abusive Registration has significance in this matter. In its submissions the Respondent incorrectly understands "abusive" to be used in its everyday meaning and - rightly- points out that it has not abused or insulted the Complainant on the Domain Name website. However it can be seen from the above definition that Abusive Registration is a wider concept. It includes conduct that extends beyond insult or denigration. The concept of Abusive Registration relates back to the Complainant's Rights and business generated by its Amby brand name. A Domain Name is an Abusive Registration if its registration or use causes unfair detriment to those Rights or takes unfair advantage of them - for example by confusing customers or potential customers into believing that the Respondent is still connected to the Complainant or that the Respondent's products are the same.

As of November 2012 the Complainant acquired UK rights in the Amby brand through its trade mark registration. From February 2013 the Complainant's permission to use the brand name as a trade mark was revoked. The issue is whether after that date the Complainant continued to use the Domain Name in a way which took unfair advantage of or was unfairly detrimental to the Complainant's Rights. In other words did it unfairly take advantage of its past connection with Amby to divert customers away from Amby and towards its new competing products?

Although it has not made a submission in these terms, the Policy provides at Paragraph 4aiB that a Respondent can counter an allegation that a domain name has been used abusively by showing that the Respondent has been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name. Whilst it is the case that the Respondent has traded using the Amby name in the past, this provision of the Policy will not apply in this case. On termination of the distribution arrangement with Amby the Respondent was given notice that it should not continue to use the Amby brand to refer to goods or services. At that point, the Respondent ceased to be a stakeholder in the Amby business and it was incumbent upon it to avoid misleading customers that the connection persisted.

Following termination of the distribution arrangement, the Respondent used the Domain Name:

- in connection with the Domain Name website, initially to maintain contact with existing and potential customers and, following establishment of its own range of baby hammocks, to redirect customers to its new website.

- to invite previous customers requiring replacement parts to contact the new business

- to maintain an email address "enquiries@amby.co.uk" to deal with queries (in the First Version of the Domain Name website)

There have been three versions of the Domain Name website since the distribution agreement terminated. All of the versions post-date registration of the Amby trade mark.

The First Version of the Domain Name website did not differentiate between the new business that the Respondent was establishing and the Complainant's Amby business. The Amby mark appeared prominently in the banner on the website. The text promoted Amby Baby Hammocks and included a website address for enquiries at "enquiries@amby.co.uk". On the balance of probabilities, the Expert finds that there was a clear likelihood of confusion. Consumers who pre-ordered a new hammock or a replacement part for an existing hammock through the First Version of the Domain Name website would have been under the impression that they were buying a baby hammock that was approved or manufactured by Amby. The lack of differentiation between the two products is supported by the email dated 20 February 2013 attached to the Complaint in which a customer queries the nature of the relationship between the Parties and seeks to clarify whether the Respondent was selling genuine Amby products. The Expert finds that, in using the Domain Name to point to the First Version of the Domain Name website, the Domain Name became an Abusive Registration under Paragraph 3aii of the Policy.

The Second Version of the Domain Name website is also problematic. The reference to rebranding and to "modifications" and "improvements" to the Respondent's former product [i.e. the Amby hammock] suggests that the new product the Respondent was offering was based on, and therefore linked to, the baby hammock the Respondent had previously supplied (i.e. the Amby product). Most telling is the email dated 26 June 2013 is from a customer who mistakenly purchased goods from the Respondent believing them to be an Amby product and was disappointed by the inferior quality of the product. This is a clear example of the use of the Domain Name by the Respondent in a way that caused detriment to the Complainant's business. The Expert finds that, in using the Domain Name to point to the Second Version of the Domain Name website, the Domain Name continued to be used in a way which constituted an Abusive Registration under Paragraph 1 and Paragraph 3aii of the Policy.

The Third Version of the Domain Name website remains problematic. As with the second version, the Domain Name is being used to attract customers who are interested in Amby baby hammocks either through their familiarity with the Amby brand or, as the Complainant submits, via links from website fora etc. to the Domain Name website. On the balance of probabilities there is a likelihood that customers who visit the Domain Name website may be diverted away from the Amby product and may instead purchase the Respondent's Poco Baby hammock. This is the case because of (a) the link to the Respondent's Poco Baby website and (b) the inclusion of the Respondent's contact details.

By continuing to use the Domain Name in a manner which is calculated to encourage visitors to the site to purchase the Respondent's product, the Respondent is inevitably attracting customers who are interested in Amby baby hammocks to its own goods and services. This is a situation which takes advantage of the Complainant's brand. The advantage is unfair because it is parasitical. It is incumbent on the Respondent to act fairly and not in a manner which

misrepresents the true position about its relationship with the Complainant or which diverts would-be customers of the Complainant away from the Complainant.

In finding that all three versions of the Domain Name website contravene the Policy, the Expert also has had regard to the eBay and Gumtree copy listings from 13 July 2013 (attached to the Reply) which indicate confusion among customers who appear to be using the Amby and Poco Baby brands interchangeably. The use of the Domain Name is unlikely to be the sole cause of such confusion but on the balance of probabilities it *is* likely to be a contributing factor. The continued use of the Domain Name in connection with Poco Baby products is likely to prolong such confusion in the marketplace to the detriment of the Complainant's business.

For these reasons the Expert finds that, in using the Domain Name to point to the Third Version of the Domain Name website, the Domain Name was still being used as Abusive Registration under Paragraph 1 and Paragraph 3a(ii) of the Policy.

For the avoidance of doubt this Decision does not find that the retention of the Domain Name by the Respondent after termination of the distribution arrangement was abusive conduct in itself. Nor would the manufacture of a similar product or the supply of generic replacement components in themselves be abusive conduct under the Policy. The Expert's decision is based on the manner in which the Respondent has used and continues to use the Domain Name. In continuing to use the Domain Name following termination of the distribution arrangement in a manner which is likely to have attracted customers to its business, a business which competes with the Complainant's products, the Respondent rendered the Domain Name an Abusive Registration.

For completeness the Expert notes that the Complainant has made a submission about use of the Amby trade mark by the Respondent in metatags. This issue is outside of the scope of the DRS Policy and the Expert makes no findings in respect of it.

7. Decision

The Domain Name to be transferred to the Complainant.

Signed Sallie Spilsbury

Dated 9 September 2013