

DISPUTE RESOLUTION SERVICE

D00013950

Decision of Independent Expert

Sporoptic Pouilloux SA

and

Accuity Ltd

1. The Parties

Complainant: Sporoptic Pouilloux SA
107-119, rue du Château des Rentiers
75008 Paris
France

Respondent: Accuity Ltd
109 Percy road
Hampton
Middlesex
TW12 2JS
United Kingdom

2. The Domain Name

<vuarnet.co.uk> (“the Domain Name”)

3. Procedural History

07 March 2014 16:15 Dispute received
10 March 2014 10:10 Complaint validated

10 March 2014 10:12 Notification of complaint sent to parties
10 March 2014 11:08 Response received
10 March 2014 11:09 Notification of response sent to parties
13 March 2014 01:30 Reply reminder sent
18 March 2014 10:57 Reply received
18 March 2014 10:58 Notification of reply sent to parties
18 March 2014 10:58 Mediator appointed
21 March 2014 15:46 Mediation started
08 May 2014 16:26 Mediation failed
08 May 2014 16:28 Close of mediation documents sent
16 May 2014 12:04 Expert decision payment received

The Expert has confirmed that he is independent of each of the parties. To the best of his 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 the independence of the Expert in the eyes of one or both of the parties.

4. Additional Procedural Matters

On 23 May 2014 the Respondent submitted a non-standard submission in response to the Complainant's Reply. As required by paragraph 13(b) of the Nominet DRS Procedure ("the Procedure"), the Respondent provided an explanatory paragraph stating its reasons for submitting the non-standard submission, as follows:

"I would like to submit further documentation to the case, one is a copy of the export contract that the claimant does not appear to know about. The contract is still in force as it has a continuous yearly renewal and notice has never been given by the claimant."

The Expert noted both the delayed filing of the Respondent's non-standard submission (received over two months after the filing of the Reply) and the fact that the documentation referred to by the Respondent in its explanatory paragraph could presumably have been submitted as part of the Response. However, taking into account the potentially critical nature of the contract alleged to be in force between the parties (see below) the Expert concluded that it would be wrong to exclude this evidence on what were effectively technical grounds. The Expert therefore agreed to admit the Respondent's non-standard submission, which was provided to the Expert and to the Complainant on 30 May 2014.

The Expert further directed that, should it wish to do so, the Complainant should file any further written submission relating exclusively to any matters arising from

the Respondent's non-standard submission by 10 June 2014. However no further submission was received from the Complainant.

5. Factual Background

The Complainant is a company registered in France. It is a manufacturer and supplier of sunglasses.

The Complainant is the owner of trade mark registrations including the following:

- Community Trade Mark number 00658278 for the word mark VUARNET, filed on 10 October 1997 for goods and services including spectacles, glasses and sunglasses in Class 9; and
- Community Trade Mark number 00744979 for a figurative mark comprising a circular "Vuarnet" logo ("the Logo"), filed on 30 January 1998 for goods and services including spectacles, glasses and sunglasses in Class 9.

The Domain Name was registered by the Respondent on 6 May 2009.

At the date of Nominet's compliance check, 7 March 2004, the Domain Name resolved to a web page which included the Logo, contact details at sales@vuarnet.co.uk and a link for "Vuarnet sunglasses online Sales" to www.myiwear.co.uk.

6. Parties' Contentions

The Complaint

The Complainant states that it has used the name and mark VUARNET in connection with the sale of sunglasses for more than 50 years. The name is derived from that of an Olympic gold medal skier, Jean Vuarnet, who gave his name to a range of "Sporoptic" sunglasses (this term is not further explained) in the early 1960s.

The Complainant submits evidence of the Community Trade Marks referred to above.

The Complainant also submits evidence of its ownership of domain names including the term "vuarnet" including <vuarnet.com> and <vuarnet.net>. It produces a screen print of its web page at www.vuarnet.com at which a number of its sunglasses are featured.

The Complainant states that the mark VUARNET is recognised by the purchasing public as indicating sunglasses supplied by the Complainant and refers to Google searches and a Wikipedia entry in support of this assertion. The Complainant submits that it is the only entity entitled to use the mark VUARNET in connection with sunglasses. Because the Domain Name is effectively identical with this mark, the public will inevitably believe that the Respondent is in some way connected with the Complainant, which is not the case.

The Complainant asserts that it has never granted the Respondent a trade mark licence and that the Respondent has no other right to use the term VUARNET.

The Complainant seeks a transfer of the Domain Name.

The Response

The Respondent states that it is the official UK distributor of the Complainant's sunglasses in the UK and was appointed in 2009, prior to a takeover of the company by one Alain Mikli.

The Respondent asserts that it was appointed by "Vuarnet France" under an agreement dated 19 March 2009 and that the Domain Name was registered with the approval of that entity. The Respondent states that the agreement was for a period of three years subject to a yearly continuation with the consent of both parties. It has not received any notice of cancellation of the agreement. The Respondent states that it has no dealings with Alain Mikli and continues to sell original stocks of the Complainant's products purchased in 2009.

The Respondent does not annex a copy of the agreement dated 19 March 2009 to the Response. It does however produce a chain of emails passing between the Complainant and a third party dated between August and November 2009 in which the Complainant states that the Respondent is the Complainant's distributor for the UK and Ireland. The Respondent also produces a series of order acknowledgements from the Complainant to the Respondent dated March 2009.

The Respondent states that it would be happy to negotiate a settlement of the matter with the Complainant.

The Reply

The Complainant's Reply to the Response takes the form of a letter from the Complainant's legal counsel to the Respondent's representative.

The Reply states that the Complainant is no longer owned by Alain Mikli.

The Complainant refers to the Respondent's assertion that it was permitted to register the Domain Name by "Vuarnet France" and states that that is not the entity which controls the VUARNET mark.

The Complainant states that it is open to negotiating a settlement with the Respondent but requires the transfer of the Domain Name before entering into any such negotiation.

The Complainant requests from the Respondent a copy of the agreement dated 19 March 2009 to which it has referred and any other agreement appointing it as the official UK distributor of "Vuarnet" products.

The Respondent's Non-Standard Submission

The Respondent submits an unsigned document entitled "Distribution Agreement" which names the Complainant and the Respondent as parties ("the Agreement"). The Agreement is stated to be subject to French law and jurisdiction. While it is beyond the scope of these proceedings to review the Agreement in detail, it includes the following provisions:

- A recital which states that:

"... POUILLOUX wishes to grant an exclusive distributorship in eyewear and optical accessories under the trademark VUARNET to the Distributor in United Kingdom..."

- Clause 2.1.1, which states that the trade marks owned and/or used by Pouilloux are listed in "Annex A" (however, "Annex A" has not been produced).
- Clause 4.1, which states:

"This Agreement shall continue from the beginning of the term of this Agreement that is to say the 1st of April 2009 for a period of three (3) years, with a six (6) months trial period, unless terminated sooner for any reason provided [later in the Agreement]. The Agreement will be renewed automatically for succeeding one year terms at the option of both the Parties unless either Party gives notice of three (3) months prior to the expiration of any succeeding one year term."

- Clause 7, which deals with "Intellectual Property Rights". Clause 7.1 states:

"The Distributor acknowledges that the trademarks that comprise the Brand identified in Schedule A hereto, or otherwise used on the Product Line, as

well as all copyright, patents, trade dress and other intellectual property rights are the exclusive property of POUILLOUX, that the registration of such properties shall remain the sole worldwide right of POUILLOUX and that neither the Distributor nor any of its principals, Affiliates, or representatives acquire any right, title or interest in these properties. Any rights acquired by the Distributor within its Territory by reason of use, registration or otherwise shall be assigned to POUILLOUX without its previous request.”

(“Schedule A” is also not produced, but is presumably intended to be the same as “Annex A”.)

- Clause 7.4, which states:

“The Distributor shall use the Brand only as indicated by POUILLOUX and no alterations, transgressions or mutilations thereof will be allowed without the express written consent of POUILLOUX.”

- Clauses 7.12 and 7.13 refer to the Distributor’s advertising, promotion and marketing plans, which require to be approved by Pouilloux.
- Clause 17, which deals with “Termination”. In this context clause 17.3 states:

“The Distributor agrees to immediately discontinue the use of the names, trademarks, domain names, stationery, advertising, or anything else that might make it appear that the Distributor is still handling the Product Line for the Brand.”

The remainder of the Respondent’s non-standard submission includes exchanges of emails. These include correspondence between the Complainant and Respondent dating from March and April 2009 which indicates that the Agreement had been signed by both parties.

7. Discussions and Findings

As a preliminary matter, the Expert has considered whether the references to negotiations in the Response and the Reply make inappropriate to proceed to a Decision in this matter. However, it appears from the Reply that, despite both parties indicating a willingness to negotiate, the Complainant maintains its demand for a transfer of the Domain Name as a prerequisite to any such negotiations. Further, since the matter has been referred to the Expert for a Decision, the Expert must infer that it did not prove possible for the parties to agree terms for the resolution of the matter through the Nominet mediation

procedure. In the circumstances, the matter must proceed to a Decision in accordance with the Nominet DRS Policy (“the Policy”) and the Procedure.

Under paragraph 2 of the Policy:

“(a) *A Respondent must submit to proceedings under the Dispute Resolution Service if a Complainant asserts to [Nominet], according to the Procedure, that:*

(i) the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name; and

(ii) the Domain Name, in the hands of the Respondent, is an Abusive Registration.

(b) The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.”

Under paragraph 1 of the Policy the term “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.”

Also under paragraph 1 of the Policy, the term “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.”

Paragraph 3 of the Policy sets out a non-exhaustive list of factors that may be evidence that a domain name is an Abusive Registration. Paragraph 4 of the Policy sets out a non-exhaustive list of factors that may be evidence that it is not an Abusive Registration. However, all such matters are subsidiary to the overriding test for an Abusive Registration as set out as in paragraph 1 of the Policy.

Rights

The Complainant has demonstrated that it is the owner of relevant trade mark registrations including a Community Trade Mark for the word mark VUARNET the details of which are set out above.

The Domain Name is identical to the Complainant's mark VUARNET save for the formal suffix "co.uk".

In the circumstances, the Expert finds that the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name. The first limb of the test under paragraph 2 of the Policy is therefore satisfied.

Abusive Registration

The Domain Name reproduces the Complainant's trade mark VUARNET in an unadorned form, i.e. without any addition other than the suffix "co.uk". The Expert accepts the Complainant's evidence that its mark would be recognised in the marketplace for sunglasses as referring to the Complainant and its goods, and that in these circumstances the use of that trade mark in an unadorned form is likely to lead a significant number of internet users to believe that the Domain Name is used by or with the approval of the Complainant. Furthermore, this impression is underscored by the fact that the Respondent's website linked to the Domain Name offers the Complainant's goods for sale, additionally making use of the Complainant's logo, which is also registered by the Complainant as a Community Trade Mark.

In these circumstances, the question is whether the Respondent has the right to represent that its use of the Domain Name is duly authorised by the Complainant. In this case, this is dependent upon the terms of a contract between the parties. It is clear to the Expert that the Complainant and the Respondent entered into a contractual relationship in 2009 at a time when the Complainant was under different ownership. However, it appears that there has been little recent communication between the parties and that the present owners of the Complainant were unaware of that pre-existing relationship with the Respondent.

The Policy was designed principally to deal with "cybersquatting" cases and is not generally apt to determine cases which depend upon a detailed analysis of contractual rights. However, based on the limited evidence available to the Expert in this case, the Expert makes the following findings:

- (1) That the Agreement was duly concluded between the parties and still remains in force. Under clause 4.1 of the Agreement, termination following the initial term requires express notice to be given by either party. The Respondent contends, and the Complainant has not disputed, that no such notice has been given.

- (2) That the Agreement is reasonably capable of being construed as including a licence from the Complainant to the Respondent to use the Complainant's trade mark VUARNET in connection with the sale of the Complainant's products, for the duration of the Agreement, to include the use of that trade mark for the purposes of domain names. While there is no express licence to this effect (and clause 7.1 of the Agreement makes clear that the Complainant retains all underlying rights), a licence is implied by (among others) the following provisions in the Agreement:
- (i) the recital that the Complainant wishes to grant exclusive UK distribution rights to the Respondent "under the trademark VUARNET"; and
 - (ii) the provision in clause 17.3 to the effect that, following termination of the Agreement, the Respondent will discontinue the use of material including "domain names".

In the view of the Expert, it follows from the above that the Respondent's use of "domain names" implicating the Complainant's VUARNET trademark was authorised by the Complainant, at least during the currency of the Agreement.

As to the Domain Name itself, the Expert does not consider that the registration and use of the Domain Name is inherently objectionable in circumstances where the Respondent has been appointed as the Complainant's exclusive UK distributor for its "Vuarinet" products. The Expert also finds that the Complainant did not object to the Respondent's use of the Domain Name for that purpose for a number of years, until such time as it initiated the present dispute.

It should be emphasised that the Expert's findings above do not amount to final conclusions about the contractual position as between the parties, nor could any such conclusions be reached within the context of these proceedings. Such an enquiry would not only require a more detailed construction of the terms of the Agreement (which is subject to French law) but may well also require an investigation into the parties' communications and conduct surrounding the Agreement, all of which is beyond the scope of the present proceedings. Furthermore, the situation could well change in the future should the Agreement be brought to an end.

However, the effect of the Expert's conclusions referred to above is that, for the purposes of paragraph 12 of the Policy, the Complainant has failed to discharge the burden of establishing, on the balance of probabilities, that the Respondent either registered or has used the Domain Name in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights.

The Complainant seeks to deprive the Respondent of the Domain Name and carries the burden of proof in this regard. In the view of the Expert, the materials and evidence available in these proceedings support the Respondent's claims that it was, and remains, contractually entitled to have registered and to use the Domain Name. In these circumstances, even if any advantage or detriment has arisen as a result of the registration or use of the Domain Name, it cannot be characterised as "unfair".

In the circumstances, the Complainant has failed to establish that the Domain Name in the hands of the Respondent is an Abusive Registration and the second limb of the test under paragraph 2 of the Policy has not been satisfied.

8. Decision

The Complainant has established that it has Rights in respect of a name or mark which is identical or similar to the Domain Name. However it has failed to establish that the Domain Name in the hands of the Respondent is an Abusive Registration. The Complaint therefore fails and the Expert directs that no action be taken in respect of the Domain Name.

Signed: Steven Maier

Dated: 13 June 2014