

DISPUTE RESOLUTION SERVICE

D00016093

Decision of Independent Expert

Nilfisk A/S

and

HydraMaster Ltd

1. The Parties

Lead Complainant: Nilfisk A/S
Sognevej 25
Brøndby 2605
Denmark

Complainant: HydraMaster Corporation
11015 47th Avenue West
Mukilteo
Washington 98275
United States

Respondent: HydraMaster Ltd
Unit 23
United Downs Industrial Park
St Day
Redruth
Cornwall TR16 5HY
United Kingdom

2. The Domain Name

hydramaster.co.uk

3. Procedural History

- 3.1 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 such a nature as to call in to question my independence in the eyes of one or both of the parties.
- 3.2 On 16 June 2015 the complaint was received and validated and notification of it sent to the parties. On 18 June 2015 the response was received and notification of it sent to the parties. On 23 June 2015 a reply reminder was sent, the reply was received and notification of it sent to the parties. On 23 June 2015 the mediator was appointed and on 26 June 2015 the mediation started. On 10 July 2015 the mediation failed and close of mediation documents were sent. On 22 July 2015 the Complainants were sent a full fee reminder and on 24 July 2015 the Expert decision payment was received.

4. Factual Background

- 4.1 The Complainants are each manufacturers of commercial and professional cleaning machines and cleaning equipment. The Lead Complainant, Nilfisk A/S, has developed

professional cleaning equipment for over 100 years and is one of the world's leading manufacturers and suppliers of professional floor cleaning equipment. Nilfisk A/S is based in Denmark, has production facilities in Asia, Europe and the USA and sells its products worldwide.

- 4.2 The Complainant, HydraMaster Corporation, has been a leading manufacturer of truck mount extractors, rotary floor care systems, cleaning accessories and carpet and fabric care chemicals for over 40 years. HydraMaster Corporation is based in the USA and its products are sold through authorised dealers in 8 countries worldwide, including the United Kingdom. In 2008 Nilfisk A/S acquired all the assets of HydraMaster Corporation.
- 4.3 Nilfisk A/S is the registered proprietor of Community trade mark no 009074402 for HYDRAMASTER which was registered on 26 October 2010 in class 7 for cleaning machines and apparatus.
- 4.4 HydraMaster Corporation is the registered proprietor of UK trade mark no 2027007 for HYDRAMASTER which was registered on 26 April 1996 in classes 7 and 9 for carpet cleaning apparatus and machines (its renewal date was 14 July 2015). HydraMaster Corporation also owns the domain name hydramaster.com which was created on 3 April 1996 and which resolves to a web site advertising the Complainants' products.
- 4.5 The Domain Name was registered on 7 September 1999. The Respondent is a UK limited company which was incorporated on 6 January 2000. The nature of its business is given at UK Companies House as wholesale of other machinery and equipment and wholesale of chemical products.
- 4.6 On 22 May 2015 lawyers for Nilfisk A/S wrote to the Respondent alleging that the Respondent's use of HYDRAMASTER as a trade mark, company name and domain name constituted trade mark infringement and requesting (among other things) the deletion of the Domain Name on or before 1 June 2015.
- 4.7 Screen shots of part of the web site at the Domain Name taken on 9 and 11 June 2015 show it being used to advertise truck mount carpet cleaning machines and to advertise and sell carpet cleaning wands. The captured web site content shows the following:
 - (a) On the top left hand side of the home and other web pages is a HydraMaster logo.
 - (b) The home page says "Welcome to HydraMaster". It states Hydramaster Ltd has dedicated the past 20 years to bringing the best carpet, upholstery and hard surface cleaning products, equipment, accessories and sundries to the UK and that HydraMaster manufacture and supply truck mount carpet cleaning machines that lead the industry and set new standards in build-quality, performance and reliability. It says HydraMaster hot water extraction truck mount carpet cleaning machines are designed for professional, domestic and commercial carpet, upholstery, curtain, rug, mattress and hard floor cleaning as well as flood removal and restoration.
 - (c) The manufacturer of the truck mounts is given as HydraMaster and the manufacturers of the carpet cleaning wands are given as HydraMaster, HydroForce and US Products.
 - (d) The history of the Respondent is described under 'About HydraMaster UK'. This sets out that the Respondent was formed in 2000 and that John Gotts, the managing director and owner of the Respondent, began trading as CarpetMaster

UK in 1996. It says of Mr Gott: *"Several months later and after meeting with various machine manufacturers he visited Hydramaster corporation in Seattle and immediately formed a good relationship with what was at the time a family owned and operated business, the year was now 1995 and we were then known as Carpetmaster UK."* It goes on to say: *"We set about building a supply company that was based around giving the very best level of customer service that was possible along with good value reliable equipment, in the following years that followed John's carpet cleaning business went from strength to strength running at time up to 20 machines on a nationwide basis. John eventually sold this company to help fund the building of a custom built premises for supplying and fitting truckmounts."*

- 4.8 The Respondent's web site at the Domain Name was second on the results list, behind hydramaster.com, when a Google search on 'HYDRAMASTER' was conducted on 11 June 2015.

5. Parties' Contentions

- 5.1 I set out below a summary of what I regard to be the main contentions of the parties.

The Complainants' complaint

- 5.2 The Complainants contend that they have Rights in respect of a name or mark which is identical to the Domain Name. The Complainants state that the Domain Name is identical to their well-known trade mark HYDRAMASTER and that the .co.uk suffix should be disregarded.
- 5.3 The Complainants contend that the Domain Name, in the hands of the Respondent, is an Abusive Registration. The Complainants say the Respondent is using the Domain Name in a way which 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 Complainants. The Complainants rely on the following:
- (a) The Complainants state the Respondent has previously been one of the Complainants' distributors but as of 2015 the Respondent is no longer an authorised dealer of HYDRAMASTER products.
 - (b) The Complainants say that they have made several attempts at contacting the Respondent regarding the abusive use of their trade mark but have not received a satisfactory reply from the Respondent and have been forced to submit this complaint.
 - (c) The Complainants submit that the Respondent has no rights or legitimate interest in the Domain Name. They state there is no evidence that the Respondent owns any trade mark that reflects the Domain Name and that the UK trade mark registration for HYDRAMASTER predates the Respondent's registration of the Domain Name by several years.
 - (d) The Complainants say that on the web site at the Domain Name a large quantity of the Complainants' HYDRAMASTER products are being marketed; the trade mark and logo HYDRAMASTER and the Complainants' product pictures are being used; and the Respondent states that it is cooperating with HydraMaster Corporation. The Complainants assert that the Respondent is no longer an authorised distributor of the Complainants' HYDRAMASTER products and does not have a licence and is not authorised to use the HYDRAMASTER trade mark and logo on the web site and as part of the Domain Name.

- (e) The Complainants argue that the Respondent's reasons for using the Domain Name are to profit from the reputation of the Complainants' well-known trade mark and/or to attract Internet users searching for the Complainants and authorised HYDRAMASTER distributors and dealers to the Respondent's web site at the Domain Name.
- (f) The Complainants state that the Respondent's web site at the Domain Name is a commercial site which is intentionally used for commercial gain to attract customers by referring to the Complainants' trade mark HYDRAMASTER in the Domain Name.
- (g) The Complainants argue that the mere registration of the Domain Name does not establish rights or legitimate interest in that name.

The Respondent's response

- 5.4 The Respondent's response is brief and is set out in full below.

"We do not understand why Hydramaster USA or Nilfisk have started this complaint. We are still a distributor of HydraMaster products in the UK. Since 1997 we have pioneered and promoted the Hydramaster brand and sold HydraMaster products in the UK.

We find it strange that we registered the hydramaster.co.uk domain 16 years ago but have only now received a complaint."

The Complainants' reply

- 5.5 The Complainants' reply is also brief and is set out below.

"The Respondent argues that they do not understand why the complaint has been initiated. However, as also stated in the complaint, the Complainant has made several attempts at contacting the Respondent regarding the abusive use of their trademark and a transfer of the domain name hydramaster.co.uk, the latest attempt shown in Annex 9 to the complaint, but have not received a satisfactory reply from the Respondent. Therefore, the Complainant has been forced to submit this complaint.

Even though HYDRAMASTER products are being sold from the domain name, the Respondent is no longer an authorized distributor and has not been granted a license or in other ways obtained the right to use the Complainants registered trademark or other intellectual property rights owned by the Complainant as a domain name, why the use is a clear infringement of the Complainants trademark rights."

6. Discussions and Findings

- 6.1 Paragraph 2 of the Nominet Dispute Resolution Service Policy ("the Policy") sets out that for a complaint to succeed the Complainant must prove to the Expert 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.
- 6.2 The Complainant is required to prove to the Expert that both elements are present on the balance of probabilities.

The Complainants' Rights

- 6.3 Under Paragraph 1 of the Policy, Rights is defined as "rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning." It is well accepted that

the question of Rights falls to be considered at the time the Complainant makes its complaint and is a test with a low threshold to overcome.

- 6.4 The Complainants own registered trade marks for HYDRAMASTER¹. I am therefore satisfied that the Complainants have established Rights in the HYDRAMASTER mark. I regard the HYDRAMASTER mark to be identical to the Domain Name (disregarding the .co.uk suffix). Accordingly, I find that the Complainants have Rights in a name or mark, HYDRAMASTER, which is identical to the Domain Name.

Abusive Registration

- 6.5 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 has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights.

- 6.6 Paragraph 3(a) of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration including the factor relied on by the Complainants namely:

- 3a 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.

- 6.7 The Complainants do not allege that there is an Abusive Registration under paragraph 1(i) of the Policy. I consider they are right not to do so. There is little evidence of the circumstances in which the Domain Name was registered. However, it seems to have been registered prior to incorporation of the Respondent when Mr Gott, the Respondent's managing director, was trading as CarpetMaster UK and had formed a relationship with HydraMaster Corporation. The Complainants do not appear to have objected to the registration and use of the Domain Name over the past 16 years.

- 6.8 Instead, the Complainants allege that there is an Abusive Registration under paragraph 1(ii) of the Policy now that the Respondent is, they say, no longer an authorised distributor of HYDRAMASTER products. This raises the issues of whether or not the Respondent is an authorised distributor of these products and, if not, whether the Respondent's use of the Domain Name has taken unfair advantage of or has been unfairly detrimental to the Rights of the Complainants.

- 6.9 Regrettably there is a paucity of evidence in relation to the relationship between the Complainants and the Respondent or in support of the Complainants' statement that *"as of 2015 the Respondent is no longer an authorised dealer of the Complainant's HYDRAMASTER products."*

- 6.10 I have reviewed the content of the web site at hydramaster.com. This gives details of the international distributors, including a distributor in England, but does not include the Respondent. The Respondent states that it is *"still a distributor of HydraMaster products in the UK"*. However, whilst the Respondent may continue to distribute HYDRAMASTER products, it does not expressly deny the allegation of the

¹ The UK trade mark registration was due to be renewed on 14 July 2015 but was in force at the time of the complaint.

Complainants that it is no longer an authorised dealer of these products nor does the Respondent contend that the termination of the authorised distribution arrangement is in dispute.

- 6.11 My enquiries show that the Domain Name is now used by the Respondent to route through to a web site at phoenixtruckmounts.co.uk. This has similar content to the web site previously at the Domain Name as described at paragraph 4.7 above but with some changes including the following:
- (a) The HydraMaster logo has been removed from the top left hand side of the web site and has been replaced by “Phoenix truckmount solutions” (in stylised form).
 - (b) The “Welcome to HydraMaster” has been replaced by “Welcome to Phoenix Truckmounts”. The references on the home page to “HydraMaster Ltd” and “HydraMaster” have been replaced by “Phoenix Truckmounts”.
 - (c) Under “About Hydramaster UK” the references to “Hydramaster Ltd” and “HydraMaster” have been replaced with “Phoenix Truckmounts” and the statements in italics at paragraph 4.7(d) have been removed.

These changes suggest that the Respondent accepts that it is no longer an authorised distributor of HYDRAMASTER products.

- 6.12 Taking the above into account and weighing the evidence I consider it has been established that the Respondent is no longer an authorised distributor of HYDRAMASTER products. This leaves the issue of whether the Respondent’s use of the Domain Name, as an unauthorised distributor, has taken unfair advantage of or has been unfairly detrimental to the Rights of the Complainants.
- 6.13 There is no evidence or suggestion of any written agreement between the Complainants (or any of them) and the Respondent setting out the terms of the authorised distributor relationship. In particular, there is no evidence of any agreement between the Complainants (or any of them) and the Respondent as to what happens on termination of the distribution relationship, including what happens to the Domain Name. However it is clear that the Complainants do not consent to the Respondent’s use of the HYDRAMASTER mark or the Domain Name following termination of the authorised distributor relationship.
- 6.14 In such circumstances I consider the position is analogous to a reseller of products who incorporates the trade mark owner’s mark in a domain name. In DRS 7991 (Toshiba Corporation v Power Battery Inc) the Appeal Panel reviewed two previous DRS appeal decisions on this subject, DRS 248 (Seiko UK Ltd v Wanderweb) and DRS 3027 (Epson Europe BV v Cybercorp Enterprises), and summarised the principles of these decisions as follows:
- (a) It is not automatically unfair for a reseller to incorporate a trade mark into a domain name and the question of abusive registration will depend on the facts of each particular case.
 - (b) A registration will be abusive if the effect of the respondent’s use of the domain name is falsely to imply a commercial connection with the complainant.
 - (c) Such an implication may be the result of “initial interest confusion” and is not dictated only by the content of the web site.
 - (d) Whether or not a commercial connection is implied, there may be other reasons why the reseller’s incorporation of the domain name is unfair. One such reason is the offering of competitive goods on the respondent’s web site.

- 6.15 The majority of the Appeal Panel in DRS 7991 considered the domain name in dispute, toshiba-laptop-battery.co.uk, *“falls into a very different category from cases involving the “unadorned” use of a trade mark (e.g. <toshiba.co.uk>), where Internet users may be presumed to believe that the name belongs to or is authorised by the complainant.”*
- 6.16 In DRS 15763 (ALF (Aquatic Distributors) Ltd v Kettering Koi & Ponds Ltd), the respondent was one of the complainant’s authorised dealers. The Expert found that the disputed domain name, seachem.co.uk, *“simply reflects the SEACHEM Trade Mark in its unadorned form with no other explanatory wording, and thus the Disputed Domain Name itself implies that the holder of the SEACHEM Trade Mark is in some way connected with it, before the internet user even consults any corresponding website. This is sometimes referred to as “initial interest confusion” ...”*
- 6.17 In DRS 4621 (Clark Equipment Company v Geoff Hamlen) the Expert considered similar circumstance to those in this case, the use of a domain name by a former authorised distributor. The Expert considered the Appeal Panel decision in DRS 248 (Seiko UK Ltd v Wanderweb) and concluded that the domain name had been used in a manner which takes unfair advantage of or is unfairly detrimental to the complainant’s rights. The Expert found the domain name made, or was liable to be perceived as making, the representation that there was something approved or official about the respondent’s web site and constituted an illegitimate usurpation of the complainant’s trade marks. The Expert said:
- “In my view, it is not permissible for a former authorised distributor, even though he continues to deal legitimately in the goods of another party and supplies accessories and related services in respect of that party’s goods, to use a domain name which consists solely of the trade mark of that other party, without that third party’s permission, particularly where the terms of the agreement make it plain that the trade mark cannot be used (other than descriptively) following termination.*
- I do not believe it can fairly be said that the Respondent is using the Domain Name purely to inform the public that he sells goods and services relating to skid-loaders. To my mind this is a clear case where the BOBCAT trade mark is being used within the Domain Name in such a way that it may create the impression that there is some form of commercial connection between the Respondent and the Complainant.”*
- 6.18 In my view the Respondent’s use of the Domain Name as described at paragraph 4.7 above following termination of the authorised distribution agreement falsely implies a commercial connection with the Complainants. I reach this conclusion for the following reasons:
- (a) I consider the very nature of the Domain Name causes initial interest confusion. The Domain Name involves “unadorned” use of the HYDRAMASTER mark and as such Internet users are likely to believe that the Domain Name belongs to or is authorised by the Complainants before they reach the web site at the Domain Name. This case can be distinguished from DRS 7991 (toshiba-laptop-battery.co.uk) where the majority of the Appeal Panel considered that the two extra hyphenated words turned the domain name as a whole into a clear description of the main goods on offer at the web site and said this lengthy “adornment” may reasonably be seen as atypical of the usage of major rights owners who are free to use much shorter unadorned names.
 - (b) I also consider that the content of the Respondent’s web site creates the impression that there is a commercial connection with the Complainants. The

Respondent uses the Complainants' Hydramaster logo prominently on its web site in the same colours and in the same position as on the site at hydramaster.com (the Complainants' evidence is that their figurative HYDRAMASTER trade mark has been used on this site for several years). The Respondent's site also contains frequent references to "HydraMaster" and there is nothing to indicate that the Respondent is no longer an authorised distributor of HYDRAMASTER products.

- 6.19 The Respondent has made certain changes to the content of the web site accessed via the Domain Name to remove the HydraMaster logo and to replace "HydraMaster" with "Phoenix Truckmounts" (see paragraph 6.11). However, even if the Respondent's web site no longer creates the impression that there is a commercial connection with the Complainants, the nature of the Domain Name means there is still initial interest confusion.
- 6.20 I consider that the Respondent's use of the Domain Name to falsely imply a commercial connection with the Complainants after termination of the authorised distribution arrangement indicates use of the Domain Name in a manner which has taken unfair advantage of or has been unfairly detrimental to the Rights of the Complainants contrary to paragraph 1(ii) of the Policy. If competing goods to those of the Complainants have been offered on the web site at the Domain Name this may also be a reason why the Respondent's use of the Domain Name is unfair. However, the Complainants have not asserted this so I have not considered it further.
- 6.21 However, before I make a finding that there is an Abusive Registration under paragraph 1(ii) of the Policy, I will consider whether there is any evidence that the Domain Name is not an Abusive Registration. Paragraph 4 of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration including:
- 4ai Before being aware of the Complainant's cause for complaint (not necessarily the 'complaint' under the DRS), the Respondent has:
- B been commonly known by the name or legitimately connected with a mark which is identical or similar to the Domain Name.
- 6.22 The Dispute Resolution Service – Experts' Overview² sets out that the circumstances in paragraph 4(a)(i) of the Policy are only likely to constitute satisfactory answers to the complaint if they commenced when the Respondent was unaware of the Complainant's name or mark forming the basis for the complaint. In this case the UK trade mark registration for HYDRAMASTER pre-dates the registration of the Domain Name and the Domain Name was registered after Mr Gott, the managing director of the Respondent, had formed a relationship with HydraMaster Corporation. So, on the face of it, this factor does not apply. However, in my view, it is relevant to consider whether the Respondent, who uses HYDRAMASTER as its incorporated name, became commonly known as HYDRAMASTER during the period when it was an authorised distributor.
- 6.23 The National Arbitration Forum decision FA1106001395159 (American Express Marketing & Development Corp. v Planet Amex and Blake Fleetwood) related to the domain name planetamex.com and concerned a former franchisee of an affiliate of the complainant. The complainant sought to recover the domain name following the

² The purpose of the Overview is to assist participants in disputes under the DRS Policy by explaining commonly raised issues and how Experts have dealt with those issues to date. It also draws attention to areas where Experts' views differ.

termination of the franchise; the respondent argued that in over a decade during the franchise relationship American Express had taken no action to prohibit use of the domain name. The panellist found that the complainant had either acquiesced to, or otherwise approved by its silence, the respondent's use of the domain name from the time of registration and for several years thereafter. The respondent's evidence, which was not disputed by the complainant, was that it had conducted extensive business through the web site at the domain name, that the web site had been viewed by millions and that it had used the domain name for extensive e-mail communication. The panellist found that the respondent's continuous operation of a commercial web site at the domain name, along with undisputed evidence of extensive transactions and e-mail communications related to the web site and domain name, made it reasonable to conclude that the respondent was commonly known by the domain name and that it was more likely than not that the respondent became commonly known as PLANET AMEX prior to an agreement prohibiting the use of the AMEX mark in a domain name. The panellist therefore considered that the respondent had demonstrated that it had rights and interest in respect of the domain name.

- 6.24 Some care has to be taken when considering this decision as it was made under the Uniform Domain Name Dispute Resolution Policy which has different criteria to the DRS Policy which applies in this case. Nevertheless it does illustrate that it may be possible for a distributor to become commonly known by a name which is identical to the domain name.
- 6.25 In this case the Respondent states that it has promoted the HydraMaster brand and sold HydraMaster products in the UK since 1997. The Respondent was incorporated in 2000 so this statement appears to include the activities of CarpetMaster UK. Nevertheless it seems that the Respondent has been using HYDRAMASTER in the UK, including in its corporate name, without objection from the Complainants for around 15 years. There is no evidence of any express agreement between the Complainants (or any of them) and the Respondent governing the use of the HYDRAMASTER mark, including in relation to the ownership of the goodwill in the HYDRAMASTER mark built up in the UK over this period. Accordingly, in my view, there is a potential basis for the Respondent to have become commonly known by the HYDRAMASTER name during this period.
- 6.26 However, there is no evidence of the extent of the Respondent's use of the HYDRAMASTER mark over this period or any evidence to support that through such use the Respondent has become commonly known by the HYDRAMASTER name e.g. that the Respondent, rather than the Complainants (or any of them), is recognised by the public in the UK as the source of the HydraMaster products. I therefore do not consider that the factor set out at paragraph 4(a)(i)(B) of the Policy applies.
- 6.27 I find that the Domain Name, in the hands of the Respondent, is an Abusive Registration under paragraph 1(ii) of the Policy.

7. Decision

- 7.1 I find that the Complainants have Rights in respect of a name or mark which is identical to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration.
- 7.2 I therefore direct that the Domain Name be transferred to the Lead Complainant.

Patricia Jones

11 August 2015