NOMINET

DISPUTE RESOLUTION SERVICE

D00018640

Decision of Independent Expert

Elite Design Studio

and

Simon Evans

1. The Parties:

Complainant: Elite Design Studio
Irish Square, Upper Denbigh Road
St Asaph
Denbighshire
LL17 0RN
United Kingdom

Respondent: Simon Evans
Broadwood, Hodgehill Lane
Siddington
Macclesfield
Cheshire
SK11 9LT
United Kingdom

2. The Domain Name(s):

elite-designstudio.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.

09 March 2017 13:26 Dispute received
09 March 2017 15:48 Complaint validated
13 March 2017 15:33 Notification of complaint sent to parties
23 March 2017 12:43 Response received
23 March 2017 12:43 Notification of response sent to parties
28 March 2017 02:30 Reply reminder sent
29 March 2017 13:28 Reply received
29 March 2017 13:28 Notification of reply sent to parties
03 April 2017 14:40 Mediator appointed
03 April 2017 14:42 Mediation started
13 April 2017 10:25 Mediation failed
13 April 2017 10:26 Close of mediation documents sent
20 April 2017 12:02 Expert decision payment received

4. Factual Background

4.1 The Complainant is Elite Design Studio. It provides tailored interior design and architecture services and was incorporated as a limited company on 25 November 2015. It commenced trading under its corporate name ('the Brand') in or around August 2016. It filed a trademark application with the UK IPO on 3 July 2016 for a logo mark incorporating the Brand. That trademark was granted on 11 November 2016 and is registered in Class 42 covering residential interior design services.

4.2 The Complainant has had a website www.elite-designstudio.com since August 2016 and has Instagram and Twitter handles incorporating the words Elite Design/Elite Design Studio. The individual directors of the Complainant worked for the business of which the Respondent is a director (Uber Interiors Limited) ('Uber Interiors') up until they resigned their posts in July 2016. Uber Interiors is a competitor of the Complainant.

4.3 The Respondent registered the Domain Name on 18 October 2016. It was aware prior to and at that point that the Complainant had set up a business under the Brand. A co-director of the Respondent emailed the Complainant on the same date (copying the Respondent in) advising they were monitoring all of the Complainant's social communication and that a leading copyright and infringement lawyer would be writing to them in due course.

4.4 Elkington & Fife wrote to the Complainant on 17 November 2016 alleging passing off based on alleged posting of photographs of the work of its client, Uber Interiors Limited by the Complainant and made no mention of any concern over using the Brand for the Complainant's website or otherwise.

5. Parties' Contentions

Complainant's Submissions

Rights

5.1 The Complainant refers to its UK trademark for the Brand incorporated into a logo, registered on 3 July 2016, the domain name and address of its website www.elite-designstudio.com which domain was registered in August 2016, and its Instagram and Twitter handles incorporating the words Elite Design Studio and Elite Design respectively. It also refers to its limited company name Elite Design Studio Limited, which company was incorporated on 25 November 2015.

5.2 The Complainant claims on this basis it has Rights to a name and mark which is identical/similar to the Domain Name.

Abusive Registration

5.3 The Complainant's submissions are summarised as follows:

5.3.1 The Registrant of the Domain Name is a director of Uber Interiors, also referred to as the Design Practice by Uber. The Domain Name was registered on 18 October 2016 over two months after the Complainant had established its rights to the name and three months after the individual directors of the Complainant had resigned from Uber Interiors in July 2016. The Respondent purchased the Domain Name in response to these resignations and to hinder the Complainant's new business using the Brand.

5.3.2 The Respondent has no rights or legal interest in the Domain Name and was aware at all times of the Complainant's rights.

5.3.3 The company Uber Interiors of which the Respondent is a director, has threatened litigation based on alleged breach of restrictive covenants to disrupt the Complainant's business. At the date of the Complaint the Respondent had posted no content on the Domain Name.

5.3.4 The Domain Name is an exact match for the Complainant's registered trademark and the domain which the Complainant already owns with the exception that the Respondent has registered a .co.uk domain. The Respondent has no reasonable justification for registering the Domain Name and has no connection either personally or in business with the Complainant.

5.3.5 The Respondent has purchased the Domain Name as a blocking mechanism and there is no reasonable reason which can be demonstrated for its registration by the Respondent.

Respondent's Submission

5.4 The Respondent's Response is summarised as follows:

5.4.1 The Complainant has not registered other available and relevant domain names incorporating Elite Design Studio, such as .net, and is attempting to bully the Respondent and engage in reverse domain name hijacking.

5.4.2 It registered the Domain Name in good faith and is using it for another venture which is app based and does not conflict with the Complainant's businesses.

5.4.3 The Respondent is not intending to, nor is there any evidence that it is trying to disrupt the business of the Complainant.

5.4.4 The respective websites are clearly different and there is no confusion between the two brands which offer different services. The closest domains to the Complainant's trademark would be elitedesignstudio or elite-design-studio.

5.4.5 The Respondent is using the Domain Name in connection with its development of an app which is at an advanced stage. It refers to an attached 'web work' comprising logo options which contains reference to the Brand. They have an Apple app subscription licence and the work so far has been at great cost.

5.4.6 The name "Elite" is very close to the name of the parent company of the company of which the Respondent is a director, namely Uber, and is a variation on the descriptive nature of that word. Elite is a common alternative given for Uber in a Thesaurus. Design comes from the name of the company of which the Respondent is a director – the Design Practice and Studio is quite literally referencing its studio in Surrey.

5.4.7 The Respondent has invoice evidence, meeting notes from meetings which date prior to the registration of the Domain Name and receipt of the Complaint in 2016. It has not produced relevant materials as it is concerned about this data being in the public domain and whether the Complainant would have visibility of it as a result. However it is happy to add this on request.

5.4.8 The Complainant's registered trademark is not an exact match for the Domain Name and it has not demonstrated other attempts to protect its trademark by registering other domains including it.

5.4.9 It is not conflicting with the Complainant's business nor would it ever cause any confusion.

5.4.10 It does not wish ever to sell the Domain Name in any form as it forms a new era of its business and would seek damages to its brand should it lose the Domain Name given the significant investment to date.

5.4.11 The Respondent has produced the 'web work' as above and a one page document which appears to be reference to an app which bears the name of Elite Design Studio but is undated.

Complainant's Submissions in Reply

5.5 The Complainant replies as follows:

5.5.1 It denies that it is attempting to bully the Respondent. It provided the Respondent with adequate opportunity to respond to its allegations since the issue was first raised with the Respondent's representative on 4 January 2016. However, no evidence of this issue being so raised is produced by way of exhibit or otherwise. It may be that this date is a typo and was meant to refer to 4 January 2017 but this is mere speculation and in any event has no impact on the Expert's conclusions in this case.

5.5.2 The reality is that the Respondent is part of a larger organisation with substantially more resources than the Complainants and has already made aggressive litigation threats.

5.5.3 On the same date as the co-director of the Respondent (18 October 2016) made one such threat the Respondent registered the Domain Name. This is clear evidence that the Domain Name was registered to be obstructive.

5.5.4 The letter of 17 November 2016 from Elkington & Fife only threatened litigation in respect of disputed photographs and contacting clients as opposed to using the Brand.

5.5.5 The words "uber" and "elite" are entirely different and any attempt at a connection is entirely unconvincing.

5.5.6 The suggestion that the Domain Name and the Complainant's Domain Name elite-designstudio.com are "*clearly very different and there is no confusion between the two brands*" is nonsense. A reasonable web user would find the situation highly confusing.

5.5.7 The Respondent has presented no evidence of any work in relation to a company called "Elite". Should they attempt do so, action will be taken in respect of breach of trademark and/or passing off.

5.5.8 The purported Apple subscription and app development is a further example of the Respondent seeking to disrupt their legitimate business and IP rights of the Complainant. It will address these rights separately and in an appropriate forum.

5.5.9 The Respondent's submissions in respect of its new business are not truthful because if the Respondent's company had really been in the later stages of building such a business under the Brand/Domain Name they would have sought to protect the name and prevent the Complainant from using it. This is particularly so given the aggressive stance to disputed photographs and contacting clients. The Elkington & Fife letter above made no mention of this. Furthermore, the co-director of the Complainant emailed the Complainant on 5 August 2016 copying in the Respondent stating "*Hi Ladies I spy your website coming soon! Very exciting, like the branding too. Best wishes, Jim Evans, Director at Uber Interiors*". Had there been any company in development at that time under the name Elite, such encouraging correspondence would not have been sent given the direct competition between parties.

5.5.10 Reference is made to further domains it has registered in protection of its business all of which include the words Elite Design Studio.

5.5.11 The Complainant has produced with the Complaint a copy of its UK registered trademark, the emails of 5 August 2016, and 18 October 2016 from the co-director of the Respondent, the letter of 17 November 2016 to Elkington & Fife, a copy of its Memorandum & Articles of Association, and a copy of the Domain Name details of registration, showing the Respondent as registrant.

6. Discussions and Findings

6.1 Paragraph 2.1 of the Policy requires that the Complainant must prove, on the balance of probabilities, that:-

"2.1.1 *The Complainant has Rights in respect of a name or mark that is identical or similar to the Domain Name; and*

2.1.2 *The Domain Name in the hands of the Respondent, is an Abusive Registration.*"

Rights

6.2 Firstly therefore the Expert must decide whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name. The definition of Rights in the Policy is 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.*'

6.3 This test has been demonstrated in previous Decisions under Nominet's DRS to have a low threshold to overcome.

6.4 The Complainant set up a registered company under the name Elite Design Studio Limited on 25 November 2015. It registered its trademark incorporating the words "Elite Design Studio" ('the Brand') into a logo on 3 July 2016. It has a website under its domain name elite-designstudio.com which it says has been has operational since August 2016. It also has Instagram and Twitter handles incorporating the words "Elite Design" and "Elite Design Studio" and says that it has had these since August 2016. The Complainant claims it has a reputation which can be seen from its website, Twitter and Instagram.

6.5 The Complainant is not clear as to exactly when it started trading under the Brand name but it seems likely that this would have been around August 2016 just after its directors resigned from their posts with Uber Interiors as the business of which the Respondent's is director. It had only therefore been trading under its name for around two to three months before the Respondent registered the Domain Name on 18 October 2016 and had limited time to build up its goodwill.

6.6 However it is clear that the Complainant has a trademark registration which incorporates the Brand into a logo. It also has its own Domain Name incorporating those words and a website which uses its name.

6.7 Accordingly, the Expert finds that the Complainant has enforceable rights in the Brand.

6.8 The Domain Name differs only from the Brand by the omission of a hyphen between Elite and Design and the first and second level suffix. The Expert can ignore these differences for the purpose of this assessment and therefore concludes that the Complainant has Rights in a name or mark which is identical or similar to the Domain Name.

Abusive Registration

6.9 Abusive Registration is defined in Paragraph 1 of the Policy 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) *is being or has been used in a manner which has taken unfair advantage or has been unfairly detrimental to the Complainant's Rights.*'

6.10 This definition requires the Expert to consider whether the Domain Name is an Abusive Registration event at the time of registration/acquisition or subsequently through the use that has been made of it.

6.11 The Policy requires the Complainant to prove, on the balance of probabilities, that the Domain Name is an Abusive Registration. The Complainant firmly bears the burden of proof.

6.12 Paragraph 5 of the Policy provides a non- exhaustive list of the factors which may constitute evidence that a Domain Name is an Abusive Registration. Two of the factors that may be taken as evidence that the Domain Name is an Abusive Registration are set out in paragraph 5 of the Policy. It reads as follows:-

"5.1.1.1 circumstances indicating that a Respondent has registered or otherwise acquired the Domain Name primarily....

5.1.1.2 as a blocking registration against a name or mark in which the Complainant has Rights; or

5.1.1.3 for the purposes of unfairly disrupting the business of the Complainant."

6.14 Further under paragraph 5.1.2, another factor which may be taken as such evidence is as follows:

"5.1.2 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 Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant."

6.15 It is clear that there has been a separate dispute (unconnected with the Brand /the Domain Name) between the Complainant and the company of which the Respondent is a director. This commenced upon or before the date the directors of the Complainant left the employment of that company in July 2016. Concerns were first raised in an email of 18 October 2016 which came from the co-director of the Respondent to the Complainant. It did not mention the Domain Name or its intention/wish to use the Brand for its app. Notably this email was dated the same date as the Respondent's registration of the Domain Name.

6.16 As a follow up to the above email a letter was sent by Elkington & Fife dated 17 November 2016 to the Complainant alleging passing off, copyright infringement and solicitation of clients. Again no reference was made in it to any concern about the Complainant's use of the Brand as a domain name or as part of its website branding or otherwise or indeed the Respondent's apparent own intentions to use the Brand for its own business.

6.17 The email from the Respondent's co-director to the Complainant dated 5 August 2016 addressed to its email at info@elite-designstudio.com, headed "oooh exciting", stated "*Hi ladies I spy your website coming soon! Very exciting. Like the branding, best wishes, Jim Evans, Director Uber Interiors*". This pre-dated the Respondent's registration of the Domain Name, and compliments the Complainant on its choice of the Brand i.e. the name Elite Design Studio. It does not suggest that the Brand was one which the Respondent and his co-director were in fact already considering for their own use at that point. Rather it tends to support the view that any such intention to use it was formed subsequently and possibly as a direct result of this knowledge of the Complainant's use of it.

6.18 It is clear from all of this that the Complainant and the company of which the Respondent is a director are competitors. It is also clear that the Respondent had knowledge of the Complainant's use of the Brand as its company name and for its website before it registered the Domain Name. These factors cast doubt, in the Expert's view, on the Respondent's contentions that its company chose the Brand to use with its app independently and/or that the Domain Name was registered in good faith.

6.19 Knowledge of the Complainant's Rights is required in order to be successful in a complaint. In Appeal case DRS04331, Verbatim, the Appeal Panel said the following:

(n.b. the Policy set out at that time set out the above grounds at paragraph 3 of the policy)

"8.13 In this Panel's view the following should be the approach to the issues of knowledge and intent in relation to the factors listed under paragraph 3 of the Policy:

(1) First, some knowledge of the Complainant and/or its brand/rights is a pre-requisite for a successful complaint under all heads of the DRS Policy, other than paragraph 3(a) (iv) (giving false contact details). The DNS is a first-come first-served system. The Panel cannot at present conceive of any circumstances under which a domain name registrant, wholly unaware of the Complainant and its Rights, can be said to be taking unfair advantage of, or causing unfair detriment to the Complainant's Rights.

(2) Secondly, "knowledge" and "intention" are pre-requisites for a successful complaint under all heads at paragraph 3(a)(i) of the Policy. The wording of that paragraph expressly calls for the relevant intent, which can exist without the relevant knowledge.

(3) Thirdly, "intention" is not a necessary ingredient for a complaint under paragraph 3(a)(ii) of the DRS Policy. The test is more objective than that. However, some knowledge of the Complainant or its name/brand is a pre-requisite.

(4) Fourthly while, some knowledge of the Complainant or its name/brand is a pre-requisite for a successful complaint under the DRS Policy (save for a complaint under paragraph 3(a)(iv)), knowledge is not of itself conclusive in favour of a Complainant. The Expert /' Appeal Panel will still need to be satisfied that the registration/use takes unfair advantage of or is causing unfair detriment to the Complainant's Rights.

(5) Fifthly, when the Respondent denies all knowledge of the Complainant and/or its Rights at the relevant time, that denial is not necessarily the end of the matter. The credibility of that denial will be scrutinised carefully in order to discern whether, on the balance of probabilities, a relevant degree of knowledge or awareness was present."

6.20 Here the Respondent has not denied any such prior knowledge, and as above the circumstances point clearly to there being such knowledge, as from at least 5 August 2016.

6.21 Paragraph 8 of the Policy provides a non-exhaustive list of the factors which may constitute evidence that the Domain Name is not an Abusive Registration. It states as follows:

"8.1.1 Before being aware of the Complainant's cause of complaint (not necessarily the complaint under DRS) the Respondent has:

8.1.1.1 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."

6.22 The Respondent seems to rely upon this here to suggest that there is no Abusive Registration as it states that its company has made preparations to use the Domain Name as its brand for its new business/app. If that had been the case it seems highly

likely to the Expert that the Respondent would have raised its concerns about the Complainant's Company use of the Brand as soon as it became aware of it, which is likely to have been as early as August 2016. However, rather than raise concerns the Respondent's co-director chose to compliment the Complainant on its choice of branding in his email of 5th August 2016. Furthermore no mention of any concerns was raised in either the email of 18 October 2016 or the letter from Elkington & Fife dated 17 November 2016 as referred to above. Indeed the Domain Name was registered on the same date as the first email complaining about the Complainant's alleged passing off, copyright infringing was sent ie 18 October 2016. The fact that the registration was on the same date in the Expert's view tends to suggest it was done as part of a campaign to disrupt the Complainant's business.

6.23 The Respondent has accused the Complainant of reverse domain name hijacking. However there is no suggestion that the Complainant knew about the Respondent's apparent intentions to use the Brand before it filed the Complaint. If this was correct, the Expert would have expected this to have been mentioned in the above pre-Complaint correspondence from the Respondent's business to the Complainant. Also all of the evidence suggests that the Complainant did not know and chose its Brand independently and thus had good reason to file the Complaint. Also the Respondent does not suggest that the Complainant copied the Brand from its business and indicates that its plans for the use of the Brand for its app are confidential.

6.24 The Respondent also suggests that its choice of the Brand/Domain Name for its new app business was somehow coincidental and that the reason they choose the word "elite" was because it was "*very close to our parent company (Uber) and it is a variation on the descriptive nature of such a word.*" The Respondent states that if "Uber" is looked up in a Thesaurus, elite is a common alternative.

6.25 The Expert has conducted a web search of the Oxford Online Dictionary and it defines 'Uber' as '*denoting an outstanding or supreme example of a kind of person or thing*'. It defines 'elite' as '*a select group that is superior in terms of ability or of value to the rest of a group or society.*' Whilst there are some similarities these definitions do not suggest to the Expert that the word "elite" is such a common alternative for the word "uber". This explanation given by the Respondent of its reasons for registration and choice of the Domain Name are not, in the Expert's view, credible in light of all of the other evidence and circumstances here.

6.26 The Respondent suggests that it would be prepared to provide copies of invoices and notes of meetings for 'all works continued to date' – presumably relating to its plans to use the Domain Name – prior to its registration and the Complaint. The Expert declined to request that this evidence be produced as it would not have changed her Decision in this case.

6.27 This is because firstly the wording of paragraph 8.1.1 of the Policy as above is '***Before being aware of the Complainant's cause of complaint (not necessarily the complaint** under DRS) the Respondent has:*

6.28 *8.1.1.1 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."*

6.29 Here the Respondent would have known that there was cause for this Complaint since at least 5th August 2016 which is the latest date that its co-Director became aware of the Complainant's use of the Brand for its new business. It would have known at that point that if it registered the Domain Name, there would be a cause for complaint. Thus such evidence from the Respondent would need to pre-date this knowledge to amount to evidence that this was not an Abusive Registration. The Domain Name was registered on 18 October 2016 and the Complaint filed on 9th March 2017 and sent to the Respondent on 13th March. The Respondent has merely suggested that it can provide such evidence prior to the registration – which was around 2 months after 5th August - and the Complaint 7 months after the 5th August. It does not specify or suggest that its evidence would pre-date 5th August 2016.

6.30 The impression given by the email of 5th August from the Respondent's co-director to the Complainant was that he liked the Complainant's Brand and was congratulatory in general. This is a far cry from the type of email that it is likely would have been sent if the Brand had been copied from the Respondent's company or that there was any concern at that time that it might clash with the Respondent's plans to use an identical brand for its new line of business.

6.31 In addition the Respondent would have known long before it registered the Domain Name that it was identical to the Brand and that there was bound to be confusion if it went ahead with registration and use. It had ample time and opportunity to either notify the Complainant of its concerns to try to avoid a dispute and/or to change its proposed branding but chose not to do either and simply pressed on to register the Domain Name.

6.32 This, as well as all of the other evidence here, points to a deliberate decision by the Respondent to register the Domain Name in order to thwart the Complainant's new business. Furthermore any evidence of prior preparations, even if it pre-dated 5th August 2016, would not deal with the doubtful explanations which the Respondent has given for choosing the Domain Name as being identical to the Brand. In particular it suggests that it is very close to its parent company (Uber) and is a variation on the descriptive nature of such a word and that the other words in the combination – Design studio- are descriptive also. This smacks of an *ex post facto* attempt by the Respondent to artificially justify its choice of adoption of the Domain Name. The suggestion is that this choice happened merely by coincidence to comprise 3 words which are identical to the Brand. This lacks credibility.

6.33 Also for example it argues that the Complainant's registered trademark is not an exact match for the Domain Name and it has not demonstrated other attempts to protect its trademark by registering other domains including it. It is of course an exact match for the word part of the trademark as identical apart from the addition of the .co.uk and the hyphen. In addition there is of course no need for a business to register all possible domain names which include its branding/its name as this would be a never ending

and expensive task. Thus it does not assist the Respondent's case to suggest this and rather it further undermines its credibility.

6.34 The Respondent also suggests that there is no confusion between the Domain Name and the Brand. In the Expert's view again, this is inconceivable given that the two parties are in the same area of business, directly competing with each other and the Domain Name is identical to the Brand. The Respondent suggests that the Domain Name is to be used for 'a new era of business- in moving into home automation/coupled with design' and that this is somehow 'different services 'which do not compete with the Complainant's business. However this seems to the Expert to an artificial distinction to make and the type of services to be offered by both parties is still home interior design and so these are identical or at least very similar. These points seem to the Expert again to lack credibility and be deliberate attempts to artificially justify the registration of the Domain Name.

6.35 Therefore even if the Respondent were to produce evidence of its preparations to use the Domain Name which pre-dated its registration and the date of the Complaint or even its knowledge of the Complainant's use of the Brand, it would not alter the Expert's decision here. It would not outweigh the force of the other points as discussed above in the Expert's view, and would not establish that the registration of the Domain Name was carried out in good faith, or other than intentionally to disrupt the Complainant's new business.

6.36 Whilst intention is not required, it seems to the Expert here, on the balance of probabilities, that not only was there prior knowledge by the Respondent but there was also an intention in this case to register and use the Domain Name as a blocking registration and/or for the purpose of unfairly disrupting the business of the Complainant.

6.37 In the Expert's view any use of the Domain Name by the Respondent is also very likely to cause confusion. It therefore follows that on the balance of probabilities the grounds set out in paragraphs 5.1.2, 5.1.3 and 5.1.2 of the Policy are made out. It also follows that the Respondent's claim for a finding of Reverse Domain Name Hijacking by the Complainant does not succeed.

6.38 The requirements of Para 1(i) of the Policy are therefore met and the Expert finds that Domain Name was registered in a manner which at the time registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's business.

7. Decision

7.1 For the reasons set out above, the Expert finds that the Complainant has Rights in respect of a name which is identical or similar to the Domain Name and that the Domain Name in the hands of the Respondent is an Abusive Registration. The Complaint therefore succeeds and the Domain Name should be transferred to the Complainant.

UNSIGNED

Signed ...G GRASSIE..... **Dated** ...11/5/2017..