

DISPUTE RESOLUTION SERVICE

D00019519

Decision of Independent Expert

Garden Party Hire Limited

and

Mr Nick Stockdale

1. The Parties

Lead Complainant: Garden Party Hire Limited
157 Ewe Lamb Lane
Bramcote
Nottingham
NG9 3JW
United Kingdom

Respondent: Mr Nick Stockdale
2, Church walk,
Pinchbeck
Spalding
PE11 3RD
United Kingdom

2. The Domain Name

<tillysgardenpartyhire.co.uk> ("the Domain Name")

3. Procedural History

The Complaint was filed with Nominet on 11 November 2017. Nominet validated the Complaint on 13 November 2017 and notified the Respondent by post and by email, stating that the Response had to be received on or before 4 December 2017. The Response was filed on 1 December 2017. On the same day Nominet notified the Complainant that a Reply had to be received on or before 8 December 2017. A Reply was received on 8 December 2017 and the mediator was appointed on 14 December 2017.

The Informal Mediation procedure failed to produce an acceptable solution for the parties and so on 6 April 2018 Nominet informed the Complainant that it had until 20 April 2018 to pay the fee for the decision of an Expert pursuant to paragraph 13 of the Nominet Dispute

Resolution Service Policy ("the Policy"). The Complainant subsequently paid Nominet the required fee.

On 2 May 2018 the undersigned, Jane Seager ("the Expert"), confirmed to Nominet that she was independent of each of the parties and that, to the best of her knowledge and belief, there were no facts or circumstances, past or present (or that could arise in the foreseeable future) that needed to be disclosed which might be of such a nature as to call in to question her independence in the eyes of one or both of the parties.

4. Factual Background

The Complainant is a company incorporated in the UK on 3 April 2013. Its owner registered the domain name <garden-party-hire.co.uk> on 22 February 2006 and <gardenpartyhire.co.uk> on 5 March 2008. It uses these domain names to point to a website specialising in hiring items for events, such as marquees and furniture.

The Complainant owns a UK design mark featuring the words GARDEN PARTY HIRE and a glass logo, filed on 27 October 2014 and registered on 18 September 2015 (number UK00003078855). It also owns a UK word mark in GARDEN PARTY HIRE, filed on 6 October 2014 and registered on 1 January 2016 (number UK00003075579).

The Respondent is an individual who, along with his wife, owns the company Tilly's Garden Party Hire Limited, registered in the UK on 24 April 2015. The Respondent's wife applied for a UK trade mark in TILLY'S GARDEN PARTY HIRE on 19 April 2016, but this was successfully opposed by the Complainant.

The Domain Name was registered on 9 August 2013. It is used by the Respondent to point to a website specialising in hiring items for events, such as marquees and garden games.

5. Parties' Contentions

The parties' relevant contentions are summarised below.

Complaint

Complainant's Rights

The Complainant states that it owns two registered trade marks in GARDEN PARTY HIRE, numbers UK00003075579 and UK00003078855. It also attaches evidence of this.

It also highlights the following observation by the UK Intellectual Property Office (IPO) with regard to trade mark number UK00003075579: "*The trade mark was inherently non-distinctive, but evidence was submitted to show that, by the date of application, the mark has in fact acquired a distinctive character as a result of the use made of it.*"

Furthermore, the Complainant states that it successfully opposed the Respondent's application to register TILLY'S GARDEN PARTY HIRE as a trade mark, and attaches the opposition decision.

Abusive Registration

The Complainant argues that the Domain Name is a direct infringement of its trade marks because it is too similar. In the Complainant's opinion, the Respondent is attempting to mislead internet users searching for the Complainant. The Complainant feels that the Respondent is seeking to benefit from the many thousands of pounds that it spends on advertising and Search Engine Optimisation ("SEO") per year. In the Complainant's view, the Respondent's use of the Domain Name is an attempt at passing off.

The Complainant therefore requests that the Domain Name be transferred to it.

Response

The Respondent argues that the Domain Name matches the name of its business and is recognised by the general public and its clients. It is thus critical to its business going forward. In the Respondent's opinion it is unique and distinct from the Complainant because it uses the proper name "Tilly" and the possessive "'s" in addition to the words "garden party hire".

The Respondent underlines that the Domain Name was registered before the Complainant's trade marks, and asserts that it was not aware of the Complainant's business until the summer of 2015 when the Complainant contacted it by telephone.

As background the Respondent states that it began as a small business providing hire items for people wishing to hold garden parties in their own homes or as corporate entertainment. The name "Tilly" was used because it was the name of the Respondent's first vehicle.

The Respondent states that it has gained a measurable following on social media and on its website and generates 90 to 95% of its business via the internet. It provides various figures to underline this. The Respondent states that it has 3 full time members of staff and 8 to 10 seasonal staff from May to September. It operates from commercial premises and has full liability insurance in place for its products, services, employees and vehicle fleet. In addition, the Respondent asserts that it has a range of products such as marquees, tents (hired as complete packages with tables, chairs, glasses, etc), the UK's largest selection of traditional garden, fete and carnival games and props for venue dressing. The Respondent states that its clients have included private family gatherings, weddings, baptisms, funerals and birthdays, corporate businesses and social organisations, museums and many volunteer groups. It has a defined area of business for its marquee hires which are restricted by transport regulations to 100 km (62 miles) from its operating base in Lincolnshire.

The Respondent points out that the Complainant has not produced any evidence of customers being misled. It states that it has had no customer enquiries from the Complainant's area of the country. In the Respondent's view, the Complainant cannot claim the whole industry and the whole country exclusively for its business.

The Respondent argues that the parties' websites are distinctly different, both visually and in content and in structure. It uses the word "Tilly's" in addition to "Garden Party Hire" throughout. The Respondent also states that the types of goods and services provided are not comparable, and contends that no-one would be confused and think that its business was called "Garden Party Hire".

The Respondent asserts that it does not appear as either an advertisement or a sponsored link in any search engine. If it appears in organic search results, it is because the content of its website and business description match the search criteria, and many people have clicked on the suggested links and gone on to progress within its website to other pages of interest. The Respondent states that as a point of principle it has avoided the use of "Garden Party Hire" in the metatags of its website.

The Respondent points out that when the search term "Garden Party Hire" is entered into most search engines, the Complainant is usually the first listed result and the Respondent appears afterwards. The search results clearly differentiate between Garden Party Hire and Tilly's Garden Party Hire.

The Respondent goes on to list some examples of businesses that include their business description in their trading style, such as HBOS Financial Services, Countryside Marquee Hire Ltd, Plant Hire (GB) Ltd and Car Hire UK Ltd, and argues that none can claim exclusive use of such a generic term. In the Respondent's opinion, all of these businesses add their own personalisation to the generic business term to create a unique and distinct identity, and that is what the Respondent has also done.

The Respondent states that it did not have the funds to defend the Complainant's trade mark objection. However, it asserts that it plans to file an invalidity action against the Complainant's trade marks on the grounds that they are generic / descriptive once it has built up more reserves, although this may take some time unless it can join with other aggrieved parties, and then re-apply for its own trade mark.

Reply

The Complainant states that it has been trading successfully for over 13 years, first as a sole trader and then as a limited company. It asserts that it trades all over the UK and also services many clients from outside the UK, substantive proof of which was submitted to the UK IPO with the Complainant's application for its trade mark.

The Complainant contends that if the Respondent had performed some simple checks prior to commencing trading it would have found that the Complainant was already in existence as a business and it would have been well advised to choose another name.

The Complainant argues that, in view of its successful opposition to the Respondent's trade mark application, the continued use of TILLY'S GARDEN PARTY HIRE is an infringement of its trade marks.

The Complainant states that its solicitors have repeatedly requested that the Respondent cease and desist from any possible trade mark infringement and change its company name, but the Respondent has been unwilling to enter into any dialogue.

The Complainant asserts that when other companies unwittingly infringe its trade mark, generally a polite email notifying them of the infringement is all it takes to bring the matter to a swift friendly resolution. When the Complainant started trading, the term "Garden Party Hire" was considered unusual. It is the Complainant's sole invention, therefore its intellectual property, and this has been endorsed by the UK IPO, both by the award of a trade mark and by the refusal of applications that seek to free ride off the back of the Complainant's hard work and substantial investments.

The Complainant contends that, contrary to the Respondent's assertions about its defined area of business, it has previously provided marquees to Sutton in Ashfield, 67 miles away. In the Complainant's opinion, not only has the Respondent had enquiries from the Complainant's local area, it has previously provided its services in this area.

In the Complainant's view, it is perfectly correct to defend its exclusive property in much the same way as any other company would, having been awarded a trade mark. This information has been conveyed to the Respondent by the IPO, and indeed the IPO underlined the similarities between the two companies.

The Complainant spends considerable amounts of money on SEO work each year. In the Complainant's opinion, as anyone in business knows, another website containing the same name will benefit from its investment in SEO work and advertising, thereby gaining a free ride at the Complainant's expense. The Complainant states that, where this infringes its registered trade mark, it is now actively taking action against offending companies in the run up to franchising its business. The Complainant asserts that it has not yet commenced any legal action against the Respondent, but given that the Respondent has been particularly obstructive, litigation is the only inevitable final option, as clearly the Complainant will need to recoup its losses/legal expenditure eventually.

The Complainant states that the Respondent's trade mark application was declined as there was a prior similar mark in existence, and in the Complainant's opinion the Respondent was badly advised in this regard. The Complainant was required to object to the Respondent's application, but yet the Respondent has only been ordered to pay a minor contribution to the Complainant's costs (which it has yet to receive).

The Complainant asserts that it is confused as to why the Respondent is continuing to defend its use of the Complainant's trade mark, given that the Respondent appears to have accepted that the Complainant has submitted evidence to the IPO that proves its distinctive character.

The Complainant notes however that the Respondent has once again altered its website so that it uses the phrase "Tilly's Garden Party & Marquee Hire" as opposed to "Tilly's Garden Party Hire". In addition, the Respondent has recently registered the domain name <tillysgardenpartyandmarqueehire.com>.

The Complainant concludes that the pre-existence of the Complainant's trade mark automatically means that the Complainant's opposition to the Respondent's trade mark had to succeed. On that basis in the Complainant's opinion it naturally follows that the Respondent's continued unauthorised use of the Complainant's intellectual property will no doubt be proven to be trade mark infringement, and may well be very costly for the Respondent. The Complainant wonders whether the Respondent will decide to take the professional advice no doubt offered to it, or choose to continue with what would now seem like an ill-advised course of action, but early indications would point to the Respondent erring on the side of caution and migrating to a new address that does not infringe the Complainant's registered trade mark.

Finally the Complainant requests transfer of the Domain Name with immediate effect on the basis that it is clearly accepted as its property.

6. Discussion and Findings

General

Under paragraph 2.1 of the Policy, for the Expert to order a transfer of the Domain Name, the Complainant is required to demonstrate, on the balance of probabilities, both of the following elements:

"2.1.1 *The Complainant has Rights in respect of a name or mark which 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."*

Complainant's Rights

The Policy defines Rights 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*".

The Expert is satisfied, based on the evidence presented, that the Complainant has the necessary Rights in the trade mark GARDEN PARTY HIRE, notably as a result of the UK word mark number UK00003075579, filed on 6 October 2014 and registered on 1 January 2016.

It should be noted that the Policy does not require prior rights, although if the rights in question post-date the registration of the domain name at issue (as is the case here) then this may be relevant when considering Abusive Registration, discussed below.

Furthermore, the Policy stipulates that the name or mark in which the Complainant has Rights must be identical or similar to the Domain Name. It is accepted practice under the Policy that the .CO.UK suffix may be discounted, and the Expert finds that the addition of the word "tillys" is not significant enough to dispel any similarity between the Complainant's trade mark and the Domain Name.

However it should be noted that this finding is based only on a straightforward visual comparison of the trade mark and the Domain Name, bearing in mind that the test under paragraph 2.1.1 is a low level one only intended to demonstrate the Complainant's *bona fide* basis for making the Complaint (see version 3 of the Expert's Overview, available on the Nominet website, paragraph 2.3).

Therefore the Expert finds that paragraph 2.1.1 of the Policy is satisfied and that the Complainant has Rights in respect of a name which is similar to the Domain Name.

Abusive Registration

The Complainant does not expressly refer to the Policy in either the Complaint or the Reply, and seems to centre its case around trade mark infringement under English law. Whilst it should be noted that such concepts may be of assistance to the Expert in determining Abusive Registration under the Policy, they are by no means determinative.

In this regard, the Expert would highlight the wording of the Appeal Panel in *Seiko UK Limited v Designer Time/Wanderweb*, DRS 00248, which reads as follows:

"The Panel considers that parties and Experts should not be overly concerned with whether or not an allegedly abusive registration also constitutes an infringement of registered trade mark. The question of trade mark infringement is, as both parties (and the Expert) agree, one for the courts to decide. The question of abusiveness is for the Expert to decide. The two jurisdictions co-exist alongside each other, and no doubt there will be considerable overlap. However there may well be factual scenarios in which an abusive registration under the Policy would not be an infringement of trade mark under the 1994 Act, and where an infringement of trade mark under the 1994 Act would not be an abusive registration under the Policy. The safest course for parties and Experts is simply to address the terms of the Policy."

The Expert would stress that Nominet UK's Dispute Resolution Service (DRS) is essentially a fast, simple procedure designed predominantly for clear cut cases of Abusive Registration under the Policy (often referred to as "cybersquatting"). It is not intended to deal with complex points of English law in relation to trade mark infringement and passing off, which would be better left to a court of competent jurisdiction. It is with this in mind that the Expert has chosen not to make any detailed consideration of the Complainant's assertions with regard to trade mark infringement and instead to simply consider whether the Complainant has succeeded in making out its case on the balance of probabilities under the terms of the Policy.

"Abusive Registration" is defined in paragraph 1 of the Policy to mean a domain name which:

- "(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."*

The Expert has considered both (i) and (ii) in turn, as follows:

(i) Abuse at the Time of Registration

Paragraph 5.1 of the Policy sets out a non-exhaustive list of factors which may be evidence of abuse. Both parties are unrepresented by lawyers and have not referred explicitly to any paragraphs set out in the Policy in their submissions.

However, the Expert has considered the parties' submissions in detail and, as far as abuse at the *time* of registration is concerned, the Complainant would seem to be arguing that paragraph 5.1.1.3 applies to the Respondent's behaviour, as follows:

"5.1.1 Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily: [.....]

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

Whilst the Respondent's registration of the Domain Name could potentially have disrupted the Complainant's business (whether unfairly or not), the Expert thinks it unlikely that this was the Respondent's primary intention upon registration of the Domain Name, as required

by the Policy. Presumably the Respondent's main intention was instead to increase its own business, rather than to disrupt or inconvenience the Complainant (regardless of whether or not this actually took place).

However, it is clear that such factors are only examples of what may or may not constitute abuse, and not an exhaustive list. The Expert is thus free to consider what is and what is not abusive, as long as it falls under the terms of the Policy.

It is significant that the Respondent denies all knowledge of the Complainant when it chose the Domain Name. The Domain Name was registered on 9 August 2013, only four months after the Complainant's incorporation. The Expert does not dispute the Complainant's assertion that it was trading for a number of years before incorporation as a sole trader, particularly in view of the registration of the domain name <garden-party-hire.co.uk> on 22 February 2006. Nevertheless, the Expert finds that the Respondent's assertion that it independently registered the Domain Name without knowledge of the Complainant is inherently plausible for three main reasons:

- At the time that the Domain Name was registered, the Complainant had yet to apply for either of its trade marks;
- The Domain Name exactly describes the Respondent's business of hiring items for garden parties; and
- The parties' businesses are predominantly local by their very nature (requiring the transportation of large items such as marquees etc) and are geographically separate, the distance between them being around an hour and a half by car.

In this regard the Expert finds the reasoning of the Appeal Panel in *Verbatim Ltd v Michael Toth*, DRS 04331, to be useful. The Panel states:

"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...[F]or this complaint to succeed, the Complainant must satisfy the Panel, as an opener, that the Respondent was aware of the existence of the Complainant or its brand at the date of registration of the Domain Name or at commencement of an objectionable use of the Domain Name."

The Expert would agree with this - whether or not there can be said to have been abuse at the time of registration depends largely on the Respondent's mental state at the relevant time, unlike (for example) trade mark infringement which requires a more objective test.

Section 2.4 of version 3 of the Experts' Overview makes the point that:

"The body of expert decisions under the Policy is developing and certain principles are emerging. The section of the Appeal decision in DRS 04331 (verbatim.co.uk) dealing with 'knowledge' and 'intent' sets out one panel's views on that topic. However, new domainer practices (e.g. automated bulk transfers of domain names) are becoming commonplace and to the extent that the Verbatim decision suggests that for a finding of Abusive Registration, the Respondent must have had knowledge of the Complainant and/or its Rights at the relevant time, it is now thought by some Experts that that might overstate the position."

However in the Expert's opinion, for the reasons outlined above, this is not a case where the Respondent should be penalised because it should have known of the Complainant had it investigated (even though it may not have actually been aware of it), as asserted by the Complainant.

As a result the Expert finds that the Complainant has not succeeded in proving that the Domain Name was registered in a manner which, at the time when the registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights.

(ii) Abusive Use

As far as abusive *use* is concerned, the Complainant would seem to be arguing that paragraph 5.1.2 of the Policy applies to the Respondent's behaviour, as follows:

"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."

No evidence of *actual* confusion has been evidenced by the Complainant, such as misdirected orders, emails or telephone calls. The Expert has also considered the successful trade mark opposition, which does detail an episode involving John Lewis, but notes that, after careful consideration of the specific circumstances, the IPO was unable to accord it any material evidential weight. The Expert finds that this would also be the case under the DRS.

As far as the *likelihood* of confusion is concerned, in the Expert's opinion, the "look and feel" of the Respondent's website does not suggest that it is attempting to profit from any confusion with the Complainant, as the two websites are very different. The Respondent has a more "rustic" feel and prominently refers to its traditional games, which the Complainant does not appear to offer. Furthermore, the Expert finds that the addition of the initial distinctive dominant word "Tilly's" in front of "Garden Party Hire" assists significantly in differentiating the Respondent's services from those of the Complainant and therefore further reduces any risk of confusion.

Finally, as mentioned above, it should be remembered that the DRS procedure was designed and is intended predominantly for clear cut cases where it is evident that the domain name in question is abusive. Domain names are registered on a first come first served basis and, although the Expert understands the Complainant's position, in this case the Expert is unwilling to overturn the registration, given the terms of the Policy discussed in detail above. The parties are of course free to pursue the matter in a court of competent jurisdiction, and by this decision the Expert makes no inferences as to what the outcome of such a case would be.

In conclusion, the Expert has considered the admissibility, relevance, materiality and weight of the evidence as a whole and is not satisfied that the Complainant has succeeded in proving, on the balance of probabilities, that the Domain Name is an Abusive Registration in accordance with paragraph 2.1.2 of the Policy.

7. Decision

The Expert finds that the Complainant has Rights in a name which is similar to the Domain Name, but is not satisfied that the Domain Name, in the hands of the Respondent, is an Abusive Registration. No action should therefore be taken in relation to the Domain Name.

Jane Seager
22 May 2018