

# **DISPUTE RESOLUTION SERVICE**

**D00019709**

## **Decision of Independent Expert**

UPS Direct Ltd

and

Mr Dan Ford

### **1. The Parties:**

Lead Complainant: UPS Direct Ltd  
UPS Direct Ltd  
Column House  
London Road  
Shrewsbury  
Shropshire  
SY2 6NN  
United Kingdom

Respondent: Mr Dan Ford  
D11 Alison Business Centre  
Sheffield  
South Yorkshire  
S2 1AS  
United Kingdom

### **2. The Domain Name(s):**

directups.co.uk

### **3. Procedural History:**

I can confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of a such a nature as to call in to question my independence in the eyes of one or both of the parties.

02 January 2018 11:55 Dispute received  
02 January 2018 15:37 Complaint validated  
02 January 2018 15:40 Notification of complaint sent to parties  
17 January 2018 17:27 Response received  
17 January 2018 17:27 Notification of response sent to parties  
22 January 2018 01:30 Reply reminder sent  
24 January 2018 15:42 Reply received  
24 January 2018 15:47 Notification of reply sent to parties  
29 January 2018 15:05 Mediator appointed  
12 February 2018 13:04 Mediation started  
15 February 2018 17:35 Mediation failed  
15 February 2018 17:35 Close of mediation documents sent  
16 February 2018 10:47 Expert decision payment received

### **4. Factual Background**

- 4.1. The Complainant is a company incorporated in England and Wales and carries on business in the supply, installation, repair and maintenance of Uninterruptible Power Supply (“UPS”) equipment and other related goods.
- 4.2. The Complainant has been trading since August 1999 through the urls [www.upsdirect.co.uk](http://www.upsdirect.co.uk) and [www.upsdirect.uk](http://www.upsdirect.uk).
- 4.3. One of the directors of the Complainant, Mr Graham Stuart Hollis, is the proprietor of a UK registered trade mark for the mark UPSDIRECT. This was registered as of 21 March 1994. Mr Hollis also owns the domain names upsdirect.co.uk and upsdirect.co.
- 4.4. The Respondent is an individual called Dan Ford. Mr Ford is the Managing Director of a company called Eurocoms (UK) Limited (“Eurocoms”). Eurocoms is a competitor of the Complainant and offers either the same, or very similar, products and services to those offered by the Complainant.
- 4.5. The Domain Name was registered as of 24 July 2014.
- 4.6. The Domain Name links to the Eurocoms website and has done since shortly after it was registered. This website is prominently branded with the name “DIRECT UPS”.

## **5. Parties' Contentions**

### **Complainant's Submissions**

#### **Rights**

- 5.1. The Complainant submits that it has Rights in the name UPS DIRECT for two main reasons. Firstly, because of the registration of a UK trade mark for UPS DIRECT and, secondly, because it has advertised and promoted the urls [www.upsdirect.co.uk](http://www.upsdirect.co.uk) and [www.upsdirect.uk](http://www.upsdirect.uk), both of which have been used to advertise the products and services of the Complainant since incorporation of the Complainant in 1999.

#### **Abusive Registration**

- 5.2. The Complainant submits that the Domain Name is an Abusive Registration as it was registered to: (1) disrupt the business of the Complainant by both passing-off and confusing the market; (2) confuse people or business into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant; (3) demand an excessive sum of money from the Complainant to transfer the Domain Name.
- 5.3. Specifically, the Complainant submits that as the Managing Director of a direct competitor of the Complainant the Respondent has registered the Domain Name to confuse the market and to pass itself off as being connected or associated with the Complainant.
- 5.4. The Complainant submits that it has several voice recordings of telephone calls made to Eurocoms. These recordings show Eurocoms telling the caller that the Complainant is a sister company of Eurocoms and then proceeding to sell products and services on that basis.
- 5.5. The Respondent has offered to transfer the Domain Name to the Complainant for a payment of £11,500. This is documented in an e-mail correspondence between the parties.

### **Respondent's Submissions**

The Response can be summarised as follows:

- 5.6. The Domain Name is not a unique name – “direct” is a word that cannot be trade marked and is used in various meanings and UPS is an abbreviation of the words “Uninterruptible Power Supply”. The Respondent submits that there are literally hundreds of domain names that use the abbreviation UPS as this simply makes the domain names look cleaner and easier to remember. The Respondent gives the following examples:

[www.upspower.co.uk](http://www.upspower.co.uk)

[www.levantups.co.uk](http://www.levantups.co.uk)  
[www.upssystems.co.uk](http://www.upssystems.co.uk)  
[www.riello-ups.co.uk](http://www.riello-ups.co.uk)  
[www.asups.co.uk](http://www.asups.co.uk)

All of these companies sell uninterruptable power supplies in the same way that the Complainant and Eurocoms does.

- 5.7. The Eurocoms' website to which the Domain Name points went live shortly after the Domain Name was registered by the Respondent and has remained the same ever since. Further, the overall appearance of this website is completely different to that of the Complainant's website.
- 5.8. In relation to the phone calls which the Complainant relies on, the Respondent points out that the phone is always answered as "Eurocoms" and any further enquiry about the sale of UPS or about whether this is "Direct UPS" is simply met with a confirmation that Eurocoms does indeed sell "UPS" and that this is "Direct UPS", which is how the website is branded.
- 5.9. The Respondent submits that he had never heard of the Complainant until he was contacted by them in relation to this dispute.
- 5.10. The Respondent believes that the offer to sell the Domain Name for £11,500 was a fair amount, but in any event, this offer has subsequently been withdrawn as the Respondent has decided against any sale.

### **Complainant's Submissions in Reply**

The Complainant's reply can be summarised as follows:

- 5.11. The Complainant summarises the various e-mail exchanges between the parties which start in October 2017.
- 5.12. The Complainant contends that the fact that the Respondent has been using the Domain Name for nearly 4 years and during that time the use has not changed is irrelevant.
- 5.13. The Complainant lists a number of examples of registered trade marks which include a word followed by the word "Direct" and points out that it is the combination of words that formed the basis of protecting a registered trade mark.
- 5.14. In relation to the various urls which the Respondent has listed containing UPS, the Complainant points out that all of these companies have names and urls that are unique and distinct from each other, whereas the Domain Name, i.e. "Direct UPS", is a crude anagram of "UPS Direct" and is being used to advertise identical products and services to those being sold by the Complainant.

- 5.15. While the Complainant has no difficulty with Eurocoms/the Respondent advertising the exact same products and services as the Complainant, the Complainant's complaint relates to the use of the Domain Name to advertise those products and services which causes a conflict as it confuses the market.
- 5.16. Contrary to what the Respondent says the Complainant contends that Eurocoms is not an authorised re-seller of at least one of the brands that it re-sells. In any event, this assertion by the Respondent does not make sense because it is not an acceptable business practice to confuse customers and Internet users by creating a brand with an identical or similar name to that of an already established company or brand and then sell identical or similar products under that brand.
- 5.17. The real problem is the similarity between the Domain Name and the Complainant's name, i.e. UPS Direct. The Complainant gives the example that a potential customer searching for the Complainant based on a word of mouth recommendation will, after briefly spotting the Complainant's logo during a Formula 1 TV broadcast, will be confused.
- 5.18. The Complainant provides a transcript of a call made to Eurocoms which it contends shows both an intent to confuse and also the fact that, contrary to what the Respondent says, they are well aware of the Complainant's business.
- 5.19. The Complainant invests £79,000 each year in advertising its brand and in addition to that, has sponsored a Formula 1 team since 2005. It is therefore concerned that a competitor may attempt to "cash in" through confusing the market as the Respondent has done.

## **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 which is identical or similar to the Domain Name; and*

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

### **Rights**

- 6.2 As a first step I must therefore decide whether the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name.
- 6.3 The definition of Rights in the Policy is as follows:

*Rights means rights enforceable by the Complainant, whether under English law or otherwise, that may include rights in descriptive terms which have acquired a secondary meaning.*

- 6.4 This has always been treated in decisions under Nominet's DRS as a test with a low threshold to overcome and I think that must be the correct approach.
- 6.5 In the present Complaints the Complainant says that it has Rights in UPS DIRECT for two reasons. Firstly, it points to a registered trade mark for UPS DIRECT and, secondly, it relies on its promotion and advertising of goods and services under this brand.
- 6.6 In relation to the registered trade mark, the difficulty with this is that the registered trade mark is not owned by the Complainant but it owned by Mr Hollis who is a director of the Complainant and, indeed, who has signed the Complaint and Reply on behalf of the Complainant. I am conscious that Nominet's DRS is a relatively informal dispute resolution system and therefore I am inclined to say that the fact that a director who is clearly very closely linked to the Complainant owns a trade mark which the Complainant has always used is enough to give the Complainant Rights. If, however, I am wrong about this, then it is clear that the Complainant has been trading under the name UPS DIRECT for a number of years and appears to have consistently spent money in promoting and advertising that name. It would therefore conclude that the Complainant has, on the balance of probabilities, Rights in the words or mark UPS DIRECT.
- 6.7 If one ignores the first and second level suffix the Domain Name is, however, DIRECT UPS and not UPS DIRECT. In other words, it contains the same two words that make up the name or mark in which the Complainant has Rights, i.e. UPS DIRECT, but in a different order, i.e. DIRECT UPS. Given the relatively low hurdle for proving Rights under Nominet's DRS, I have little hesitation in concluding that, on the balance of probabilities, the name or mark in which the Complainant has rights, i.e. UPS DIRECT, is similar to the Domain Name.

### **Abusive Registration**

- 6.8 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 of or has been unfairly detrimental to the Complainant's Rights.*

- 6.9 This definition requires me to consider whether the Domain Name is an Abusive Registration either at the time of registration/acquisition or subsequently through the use that has been made of it.
- 6.10 Paragraph 5 of the Policy provides a non-exhaustive list of the factors which may constitute evidence that the Domain Name is an Abusive Registration and 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.
- 6.11 The Policy requires the Complainant to prove, on the balance of probabilities, that the Domain Name is an Abusive Registration. The burden of proof is therefore firmly on the Complainant
- 6.12 In order to make a finding of Abusive Registration it is reasonably common ground amongst Nominet Experts that, in all but a minority of cases, there must be an element of knowledge on the part of the Respondent in the sense that the Respondent must, on some level, be aware of the Complainant's Rights. In some cases where the name in which the Complainant has Rights is particularly well known this will be fairly obvious and straightforward while in other cases where the name in which the Complainant has Rights is less well known and/or where there are other meanings or uses which can be made of the name this will require substantial evidence from the Complainant.
- 6.13 The approach that I intend to take in this case is to look at the overall question of whether the Respondent's registration or use of the Domain Names constitutes an Abusive Registration. Bound up with that, and indeed central to it, will necessarily be the question of the Respondent's knowledge of the Complainant's Rights.
- 6.14 In making this overall assessment the nature of the name or mark in which the Complainant has Rights is also clearly a factor here. The more descriptive or generic that name or mark is, then the more likely it is that the Respondent simply happened upon the Domain Name as a, "good domain name" without necessarily having any knowledge of the Complainant's Rights. Obviously, the more well-known and unique that name or mark is then the less likely it is that the Respondent did not register the Domain Name with the Complainant's Rights in mind.
- 6.15 In this case, the name DIRECT UPS is towards the more descriptive or generic end of the scale. DIRECT is a word or mark that is often used to denote a website or other retail offering which offers its products or services directly to the public. Similarly, the name or mark UPS is clearly well used shorthand for "Uninterruptible Power Supply". Put another way, when the Complainant uses UPS DIRECT it is marking itself out as a website which sells uninterruptible power supply related goods and services directly to the public. It is clearly possible to reach the same conclusion in relation to the Domain Name as the words are the same but in a different order. This is not therefore a

case where it could be said that it is inconceivable that the Respondent didn't have the Complainant in mind when he registered the Domain Name. It is the kind of name that a business like Eurocoms could conceivably have come up with independently.

- 6.16. Against this, the Complainant has clearly been trading for a large number of years and has made some effort to build up its brand in the name or mark UPS DIRECT. The Complainant says that it spends £78,000 a year on promoting its business and on top of that sponsors a Formula 1 team. Other than these fairly bare details the Complainant does not really say anything else about how well known it is or how widespread it is advertised and I am bound to say that the Complainant could have done a rather better job of documenting its advertising and marketing efforts in its Complaint.
- 6.17. It is therefore difficult to say with any certainty whether or not the Respondent knew about the Complainant when he registered the Domain Name. He says that he didn't know of the Complainant until the Complainant wrote to him in 2017 and while that is certainly not inconceivable given the relatively descriptive nature of the Domain Name I would be wrong not to question it given how similar the business of the Complainant and Eurocoms are and the very similar names they have adopted.
- 6.18. If one looks at the site to which the Domain Name points, other than the name DIRECT UPS which appears prominently on the site, there is no other suggestion that the Respondent/Eurocoms is seeking to take unfair advantage of or be unfairly detrimental to the Complainant or its business. Other than offering the same types of goods and services they are different.
- 6.19. It is also relevant that the Respondent registered the Domain Name in July 2014 and as far as I am aware no complaint was received from the Complainant for over 3 years. Indeed, in these circumstances the Respondent may be able to avail itself of one of the non-exhaustive list of factors in Paragraph 8 of the Policy, namely, Paragraphs 8.1.1 and 8.1.1.1 which read as follows:
- 8.1.1 Before being aware of the Complainant's cause for complaint (not necessarily the "complaint" under the 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.*
- 6.20. There is some suggestion by the Complainant that Eurocoms isn't authorised to sell one of the products that appears on its website but there is no real evidence of this and even if there was the allegation only appears to relate to one of many products. Whether or not the Respondent can avail himself of these paragraphs really depends on whether he knew of the Complainant when he registered and/or started to use the Domain Name. If he did know about the



Complaint at that point then, given the similarity between the names and the nature of the respective businesses of the Complainant and Eurocoms, I think it becomes very difficult to say that the registration and use was anything other than an Abusive Registration.

- 6.21. The only real piece of evidence which the Complainant relies on in relation to its main Abusive Registration case is the recordings of phone calls made to Eurocoms. Only has been included in the Complaint and therefore realistically this is the only one I can take into account. A video of part of this call has been attached to the Complaint. That video shows someone calling Eurocoms. After an automated voice greeting and some music an operator answers the call with the greeting “Good morning, Eurocoms”. When the operator is asked whether they are “UPS Direct”, the operator confirms that is “one of ours as well” and is “one of our on-line brands”. The operator then carries on and helps the caller with his enquiry. The Reply also contains a transcript of part of the same telephone conversation (the Complainant was unable to upload the video of the entire call because of size restrictions on the Nominet site). In this transcript the Eurocoms’ operator is said to be confirming that he knows “... the guys at UPS Direct...”.
- 6.22. This video is undated and I therefore do not know whether it was dated before or after the Complainant first contacted the Respondent about this in October 2017. It does, however, provide fairly clear evidence of Eurocoms pretending to be the Complainant or at least not making it clear that they are not the Complainant when challenged. Obviously, this is not evidence of members of the public being confused and the Complainant does not seek to say that it is. At most therefore is evidence that Eurocoms are prepared to accept business even when they are aware that it was not intended for them.
- 6.23. Ultimately, whether or not the Domain Name is an Abusive Registration depends on whether I believe that the Respondent registered (and shortly after started to use) the Domain Name simply believing that it was a decent domain name and without any knowledge of the Complainant. Alternatively, do I prefer the Complainant’s version of events which is that the Respondent registered the Domain Name in full knowledge of the Complainant and essentially knowing that there would be confusion between the Complainant and Eurocoms and that Eurocoms would be able to profit from this confusion. Certainly, there is evidence that Eurocoms do not much care whether callers to their business are intended for them or for another competing business. It would however be easier for me to make a finding of Abusive Registration. if the names UPS DIRECT/DIRECT UPS were slightly more distinctive or, for example, if there was something on the Eurocoms’ site which suggested that Eurocoms was attempting to make itself look like the Complainant.
- 6.24. I have found this a very difficult case to decide and one which is, in my view, very finely balanced. Ultimately, however, and very much on the balance of probabilities, I am not persuaded that the Complainant has made out a case that the Domain Name is an Abusive Registration in the hands of the Respondent. In reaching that conclusion I am very much swayed by the

nature of the Domain Name which is fairly descriptive and a name which I think that a business like Eurocoms may well have happened on themselves.

6.25. I am also very conscious that Eurocoms had been using the Domain Name for over three years in relation to what looks to me to be a genuine business before any complaint was made by the Complainant. Given that there is no evidence that the Respondent would have known about the Complainant prior to the Complainant contacting the Respondent, I am not convinced that the Domain Name is an Abusive Registration. I also take into account that if I was to decide that the Domain Name should be transferred to the Complainant, that this would deprive Eurocoms of the url through which it has done business for nearly four years and would hand that url to one of its competitors. Given all of this and the very finely balanced nature of this case, I am unable to make a finding of Abusive Registration.

6.26. I would add for completeness that the Complainant also submits that the Respondent's offer to accept the sum of £11,500 is evidence that the Respondent registered the Domain Name with an intent to sell it for valuable consideration in excess of his documented out-of-pocket costs directly associated with acquiring or using the Domain Name. While I have no doubt that £11,500 is far more than the Respondent's out-of-pocket costs directly associated with acquiring or using the Domain Name, the offer was only made by the Respondent when he was contacted by the Complainant over 3 years after the Respondent registered the Domain Name and over 3 years since use of the Domain Name by Eurocoms commenced. Given the nature of this use and the long period of use prior to the offer being made I do not think it can be said that the Domain Name was registered with an intent to sell it for valuable consideration in excess of his documented out-of-pocket costs directly associated with acquiring or using the Domain Name.

## **7. Decision**

I find that the Complainant has Rights in the name or mark which is identical or similar to the Domain Name. However, on the balance of probabilities, the Complainant has not established that the Domain Name in the hands of the Respondent is an Abusive Registration.

**Signed .....**

**Dated 12<sup>th</sup> March 2018**