

## **DISPUTE RESOLUTION SERVICE**

**D00021083 and D00021084**

**Combined Decision of Independent Expert**

DRS 21083

Technicut Limited

and

Technicut Profile Cutting Machines Ltd

DRS 21084

Technicut Limited

and

Identity Protect Limited

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

Complainant: Technicut Limited  
22 Hayhill Industrial Estate  
Sileby Road, Barrow-Upon-Soar  
Loughborough  
Leicestershire  
LE12 8LD  
United Kingdom

Respondent in DRS21083: Technicut Profile Cutting Machines Ltd  
48 Highfield Drive  
Mossley  
Lancashire  
OL5 0DW  
United Kingdom

Respondent in DRS 21084: Identity Protect Limited  
5th Floor, The Shipping Building  
Old Vinyl Factory, 252-254 Blyth Road  
Hayes  
Middlesex  
UB3 1HA  
United Kingdom

## 2. The Domain Names:

technicut.co.uk (DRS 21083)  
technicut.uk (DRS 21084)

## 3. Procedural History:

I can confirm that I am independent of all 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 all of the parties.

The procedural history for both matters is materially identical. Where the timing of a step in the process differed by minutes the time for DRS 21083 is stated first and the time for DRS 21084 is in brackets.

06 February 2019 18:08 (18:35)	Dispute received
08 February 2019 15:48	Complaint validated
08 February 2019 15:52 (15.55)	Notification of complaint sent to parties
27 February 2019 01:30	Response reminder sent
04 March 2019 10:47 (10:46)	No Response Received
04 March 2019 10:47 (10.46)	Notification of no response sent to parties
14 March 2019 01:30	Summary/full fee reminder sent
18 March 2019 11:26 (11.27)	Expert decision payment received

## 4. Factual Background

I have taken the following summary from the contents of the Complaints and their supporting documents, to which the Respondents did not respond. I shall refer to the Respondents in DRS 21083 and DRS 21084 as the 'First Respondent' and 'Second Respondent' respectively.

- The Complainant has been operating in the business of tooling and cutting tool technology under its TECHNICUT name for more than 30 years. It has used *www.technicut.ltd.uk* as its main website since 1997 and owns a UK registered trade mark for TECHNICUT which was registered with effect from 27 April 2018.
- The First Respondent was an English company incorporated in 1999 as Technicut Profile Cutting Machines Limited which then traded in competition with the Complainant until 2015, using the *technicut.co.uk* Domain Name to resolve to its main website after it was

registered in 2004. However, the First Respondent ceased trading and was dissolved in 2015. The *technicut.co.uk* Domain Name remains registered in its name.

- Two years later in 2017, the Second Respondent registered the *technicut.uk* Domain Name ostensibly on behalf of the then non-existent First Respondent.
- The Second Respondent is a subsidiary of the well-known domain name Registrar and web hosting company, 123 Reg Limited (the “Registrar”). When they were first released, all .uk domain names were subject to a 5-year ‘reserved right’ period running until 25 June 2019, during which time the owner of an existing qualifying .co.uk domain name had the exclusive right to register the corresponding new .uk domain name. The First Respondent had been a customer of the Registrar in respect of the .co.uk Domain Name, and the .uk Domain Name was registered as part of an exercise by which the Second Respondent registered approximately one million .uk domain names for free for their entire customer base if they already held the corresponding qualifying .co.uk domain name. The *technicut.uk* Domain Name remains registered in the Second Respondent’s name.
- Both Domain Names currently resolve to the same website page advertising the services of the Registrar.

## 5. Parties’ Contentions

In summary, in its Complaints, which were supported by various documentary annexures, the Complainant made the following points:

- The Complainant is an active English company incorporated on 24 April 1978 operating in the business of the manufacture, development and supply of tooling, cutting tool technology and tooling solutions. It has always had and traded under the same name since incorporation.
- The Complainant’s current web presence uses the *technicut.ltd.uk* domain name which was registered on 6 October 1997. It owns the UK registered trade mark TECHNICUT (Trade Mark number: UK00003307021), registered on 27 July 2018. This is a stylised trade mark combining a logo and the word TECHNICUT.
- The First Respondent
- The First Respondent was an English registered company named Technicut Profile Cutting Machines Limited (Company number: 03832158) which had been incorporated on 26 August 1999. However, it was dissolved on 9 June 2015 and has therefore ceased trading and ceased to exist. When it did exist, the First Respondent operated in a similar / identical business sector as the Complainant.
- The First Respondent registered the Domain Name *technicut.co.uk* on 19 July 2004. It is identical to the Complainant’s trade mark, domain name and company name. At the time when the First Respondent registered it, the Complainant had already been established and trading for over 15 years and its domain name *technicut.ltd.uk* had been registered and in use for almost 7 years. At that time, the Complainant had a well-established reputation and name within the industry with a turnover of approximately £9.2 million and 3 sales offices in addition to its main factory plant.
- The First Respondent became aware of the Complainant’s reputation and success within the industry and incorporated and then operated a competing business using a materially identical name. It subsequently registered the materially identical Domain Name in order

to further benefit from the goodwill and reputation established by the Complainant. The industry in which both parties operated is niche and specialist and the only logical reason for the First Respondent to have decided to register and then use an identical Domain Name was deliberately to unlawfully benefit from the Complainant's goodwill and reputation and in particular:

- as a blocking registration against a name or mark in which the Complainant has Rights (DRS Policy, paragraph 5.1.1.2);
  - for the purpose of unfairly disrupting the Complainant's business (DRS Policy, paragraph 5.1.1.3);
  - to use the Domain Name in a way which has or has likely confused people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant (DRS Policy, paragraph 5.1.2); and
  - the Domain Name is an exact match for the name and mark in which the Complainant has Rights, the Complainant has a reputation in the industry and the Respondent had no reasonable justification for having registered the Domain Name (DRS Policy, paragraph 5.1.6).
- The First Respondent ceased to exist having been dissolved in 2015 and the Domain Name is therefore no longer in use. Despite this:
    - it still acts as a blocking tool against a name and mark in which the Complainant has Rights, preventing the Complainant from registering, acquiring or using the Domain Name which is identical to its trade mark and company name; and
    - given that it is materially identical to the Complainant's name, trade mark and domain name, it may confuse or mislead internet users and the Complainant's potential customers into believing that its website is not in use or that the Complainant is no longer trading.

#### The Second Respondent

- The Second Respondent is an English company (Company number: 07407280) incorporated on 14 October 2010. It is a dormant subsidiary company of the well-known domain Registrar, '123-Reg Limited'.
- The Second Respondent registered the *technicut.uk* Domain Name on 11 October 2017 with 123-Reg Limited as the Registrar. Nominet has confirmed to the Complainant that:
  - the Second Respondent's parent company, 123-Reg Limited, took advantage of a promotion which Nominet offered in 2017 and registered approximately one million new '.uk' domain names for free for their entire customer base if they already held the corresponding .co.uk domain name, without necessarily obtaining their customer's knowledge or consent;
  - although the First Respondent was the Second Respondent's customer, it never activated or claimed ownership of the Domain Name (this would be due to the fact that, when this Domain Name was registered, the First Respondent had been dissolved more than two years previously); and
  - as this Domain Name was never claimed or activated by the First Respondent, the Second Respondent has maintained, and currently still maintains, ownership of the registration.

- This Domain Name is also identical to the Complainant's trade mark, domain name and company name. At the time when the Second Respondent registered it in 2017, the Complainant had already been established and trading for over 30 years and its domain name *technicut.ltd.uk* had been registered and in use for 20 years. At that time, the Complainant had a well-established reputation and name within the industry.
- The Second Respondent registered this Domain Name in 2017 recklessly without considering any potential intellectual property infringement issues or blocking issues.
- The Second Respondent's registration of this Domain Name was abusive as it created a blocking registration against the Complainant and unfairly disrupted the Complainant's business. That constituted an abuse of the registration process. In particular the Second Respondent registered this Domain Name:
  - for the purposes of selling, renting or otherwise transferring the Domain Name to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name (DRS Policy, paragraph 5.1.1.1). Even if the Second Respondent acquired the Domain Name for free, as it is a Registrar, the only logical reason for it to have registered the Domain Name was to sell, rent or otherwise transfer it to the First Respondent;
  - as a blocking registration against a name or mark in which the Complainant has Rights (DRS Policy, paragraph 5.1.1.2);
  - for the purpose of unfairly disrupting the Complainant's business (DRS Policy, paragraph 5.1.1.3);
  - to use the Domain Name in a way which has or has likely confused people or businesses into believing that it is registered to, operated or authorised by, or otherwise connected with the Complainant (DRS Policy, paragraph 5.1.2);
  - as part of a pattern of registrations where the Second Respondent is the registrant of domain names (under .uk or otherwise) which correspond to well-known third-party names or trade marks (including the Complainant's) in which the Second Respondent has no apparent rights, and the Domain Name is part of that pattern (DRS Policy, paragraph 5.1.3); and
  - as an exact match for the name and mark in which the Complainant has Rights, the Complainant has a reputation in the industry and the Second Respondent had no reasonable justification for having registered the Domain Name, especially without obtaining their customer's consent, which, in any event, would have been impossible as the First Respondent was by then dissolved (DRS Policy, paragraph 5.1.6).
- The .uk Domain Name is not and never has been in use. Currently it just redirects to the webpage of the First Respondent's .co.uk Domain Name, but that is also not in use. The Second Respondent cannot put this Domain Name to any legitimate use as its customer no longer exists and it corresponds to the Complainant's well-known name and trade mark to which the Second Respondent has no rights.

The Respondents did not respond to the Complaints. Nevertheless, the Complainant exercised its option of paying for a full Expert decision rather than a summary one.

## 6. Discussions and Findings

In order to succeed for each separate Complaint, the Complainant must prove, on the balance of probabilities, two matters, namely that:

1. the Complainant has Rights in respect of a name or mark which is identical or similar to the relevant Domain Name; and
2. the relevant Domain Name, in the hands of the Respondent, is an Abusive Registration.

These terms are defined in the Nominet DRS Policy 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.
- **Abusive Registration** means a Domain Name which either:
  - i. was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; or
  - ii. has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.

### Does the Complainant have Rights?

The Complainant has been trading under its TECHNICUT name in a substantial way for more than 30 years. In addition, it now has a UK registered trade mark for TECHNICUT, registered on 27 July 2018 backdated with effect from its filing date of 27 April 2018. In the circumstances, the Complainant clearly has Rights in its TECHNICUT name and trade mark for the purposes of the Nominet DRS.

### Are those Rights in respect of a name or mark which is identical or similar to the Domain Names?

Ignoring their respective suffixes, which it is right to do for the purposes of the comparison, both Domain Names comprise the TECHNICUT name without further adornment and are therefore identical to the name or mark in which the Complainant has Rights.

### Are the Domain Names, in the hands of the Respondents, Abusive Registrations?

#### **The First Respondent and the technicut.co.uk Domain Name**

I have been told nothing of any history of dispute or even any communications between the Complainant and First Respondent over the TECHNICUT trading name during the period between 1999 and 2015 when the two parties were actively trading side by side in what is a relatively niche industry. It would be very surprising if they had not crossed swords before but, given that the Second Respondent ceased to exist in 2015, I am left only with the Complainant's unchallenged evidence as the basis upon which to make my decision.

There are two limbs to the definition of an Abusive Registration. The first considers the circumstances at the time the Domain Name was registered or acquired and whether or not, at that time, doing so took unfair advantage of or was unfairly detrimental to the Complainant's Rights. The second limb of the definition considers the use the Domain Name has been put to at any time after its initial registration and whether or not that use took unfair advantage of or was unfairly detrimental to the Complainant's Rights. In order to succeed, the Complainant just needs to get home on either rather than both of those limbs.

The .co.uk Domain Name was registered on 19 July 2004. It was not until 2018 that the Complainant secured its registered trade mark Rights. This was after the Domain Name was registered and in the circumstances the Complainant cannot rely upon its registered trade mark rights for TECHNICUT in respect of the first limb of the definition of an Abusive Registration.

However, by the time of registration in 2004, the Complainant had been in existence for 26 years since 1978. In its Complaint, the Complainant said, "*we have always operated and traded under the name Technicut without any issues since incorporation and have never changed our company name*". But it also said that by the time the .co.uk Domain Name was registered in 2004 the Complainant "*had already been established and trading for over 15 years*". I also note from the Complainant's website at [www.technicut.ltd.uk](http://www.technicut.ltd.uk) that it claims to have been "*founded in Sheffield in 1987*" which would mean it had been trading for 17 years rather than 26 years by the time of registration of the .co.uk Domain Name. In any event, even based on 15 years, that is still a substantial period of having traded under the TECHNICUT name by the time the .co.uk Domain Name was registered. It also predates by 10 years the time when the First Respondent first started trading under its TECHNICUT name in 1999. That period of use will have been more than sufficient for the Complainant to have acquired unregistered passing off rights in respect of its TECHNICUT name and it can rely upon those Rights in respect of both limbs of the definition of an Abusive Registration.

The Complainant has considered Paragraph 5 of the DRS Policy, which sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. In particular, it relies upon the following paragraphs of the DRS Policy:

*5.1.1 Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:*

*5.1.1.1 ....*

*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 purpose of unfairly disrupting the business of the Complainant;*

*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 the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant;*

*5.1.6 The Domain Name is an exact match (within the limitations of the character set permissible in domain names) for the name or mark in which the Complainant has Rights, the*

*Complainant's mark has a reputation and the Respondent has no reasonable justification for having registered the Domain Name.*

When deciding to set up a competing business in a niche industry and trade under the TECHNICUT name and then register and use the technicut.co.uk Domain Name for that competing business, it seems inconceivable that the First Respondent will not have been well aware of the existence of the Complainant and its existing Rights in respect of the TECHNICUT name. The scope for there having been huge confusion between the two competing businesses is readily apparent. The Complainant says that the only logical reason for the First Respondent to have done this was deliberately and unlawfully to benefit from the Complainant's goodwill and reputation. On the evidence before me, and in the absence of any other explanation from the First Respondent, that allegation is very likely to be correct.

In the circumstances, both the initial registration of the .co.uk Domain Name and its subsequent use by the First Respondent for the website of its competing business took unfair advantage of and was unfairly detrimental to the Complainant's Rights.

That would normally be the end of the matter as far as the .co.uk Domain Name is concerned but there is a potential twist in this case that the Complainant has not addressed in its Complaint. The registration of the .co.uk Domain Name remained in the name of the First Respondent on 9 June 2015, the date of its dissolution. However, Nominet's terms and conditions of registration provide (clause 7.1) that "*A domain name is not an item of property and has no 'owner'*" and (clause 10.4) that "*If you are not a natural person, your domain name will be cancelled if you complete a liquidation or disbandment process or otherwise no longer exist, even if (where possible) you are later restored by an official or court order or decision*".

It is far from clear to me what the effect of 10.4 actually is. That is because it is not expressly deemed to bite in respect of the registration automatically and at some point in time immediately before or at the dissolution etc. of the company but rather it says that it "will be" cancelled which might imply some sort of positive action to cancel being needed to be taken in future to bring the registration to an end. That is perhaps reinforced by the same "will be" language being used in clause 10.3, which reads "*If you are a natural person, your domain name will be cancelled if you die and the person legally appointed to deal with your assets after you die does not transfer your domain name (either to themselves or someone else) within a year of your death (or the end of their appointment, whichever comes first)*". That clause relates to natural persons dying and it provides for an express one-year post death period of grace before cancellation can take place, suggesting the "will be" wording does not mean an automatic cancellation.

In the earlier DRS case DRS 01380 Roxio, Inc –v- The Treasury Solicitor (napster.co.uk) in similar circumstances the Expert proceeded on the basis that the doctrine of "bona vacantia" applied in these circumstances, although he does not seem to have considered the possible application of clause 10.4 assuming it was applicable at that time. "Bona vacantia" describes the process by which assets of a dissolved company pass to the Crown pursuant to section 1012 of the Companies Act 2006. This provides that "*When a company is dissolved, all property and rights whatsoever vested in or held on trust for the company immediately before its dissolution (including leasehold property, but not including property held by the company on trust for another person) are deemed to be bona vacantia and— (a) accordingly belong to the Crown, or to the Duchy of Lancaster or to the Duke of Cornwall for the time being (as the case may be) .....*"



Whilst a domain name itself is not an item of property (see Nominet's terms clause 7.1 – above), a current registration of and the corresponding exclusive right to use a domain name is an assignable right (i.e. it is a chose in action rather than a chose in possession) and, as set out above, bona vacantia under section 1012 CA 2006 does not just cover “property” but expressly covers “*all property and rights whatsoever vested in or held on trust for the company immediately before its dissolution...*”

The fact that the statutory provision refers to such rights held “*immediately before its dissolution*” raises the question of whether or not section 1012 trumps clause 10.4 if it takes effect first in time such that, on the point of dissolution, the right to the domain name registration has already passed to the Crown so there is nothing for clause 10.4 to bite on because, in the language of 10.4, it is no longer “your domain name”.

Ultimately, I do not think it is necessary for me to resolve which of these alternative possibilities applies as a matter of law.

This is because whatever the legal position, in practical terms the .co.uk Domain Name is still in use. When the Complainant tried to visit the website to which it resolved it received an error message saying that the site could not be reached because the server IP address could not be found. But when I visited [www.technicut.co.uk](http://www.technicut.co.uk) it displayed a webpage advertising the services of the Registrar.

That current ongoing use is abusive because it is in my view likely to give rise to “initial interest confusion” as described in The Experts' Overview (this is published on the Nominet website and is there to assist all participants or would-be participants in disputes under the DRS Policy by explaining commonly raised issues and how the DRS Experts have dealt with those issues to date and to draw attention to areas where Experts' views differ). Paragraph 3.3 of the Experts' Overview explains the concept of initial interest confusion as follows:

*“Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain name in issue. Similarly, there is bound to be a severe risk that an Internet user guessing the URL for the Complainant's web site will use the domain name for that purpose.*

*In such cases, the speculative visitor to the registrant's web site will be visiting it in the hope and expectation that the web site is a web site “operated or authorised by, or otherwise connected with the Complainant.” This is what is known as ‘initial interest confusion’ and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived. Having drawn the visitor to the site, the visitor may well be faced with an unauthorised tribute or criticism site (usually the latter) devoted to the Complainant; or a commercial web site, which may or may not advertise goods or services similar to those produced by the Complainant. Either way, the visitor will have been sucked in/deceived by the domain name. In the High Court decision *Och-Ziff Management Europe Ltd v Och Capital LLP* [2010] EWHC 2599 (Ch), the court quoted the International Trade Mark Association definition of initial interest confusion as being “a doctrine which has been developing in US trademarks cases*

*since the 1970s, which allows for a finding of liability where a plaintiff can demonstrate that a consumer was confused by a defendant's conduct at the time of interest in a product or service, even if that initial confusion is corrected by the time of purchase". In that case the court held that initial interest confusion is legally actionable under European trade mark legislation.*

*In DRS 07991 (toshiba-laptop-battery.co.uk) an aspect which the appeal panel regarded as being indicative of abusive use was the fact that the Respondent was using the domain name featuring the Complainant's trade mark to sell in addition to the Complainant's goods, goods competing with the Complainant's goods.*

*Findings of Abusive Registration in this context are most likely to be made where the domain name in issue is identical to the name or mark of the Complainant and without any adornment (other than the generic domain suffix). See for example DRS 00658 (chivasbrothers.co.uk).*

*The further away the domain name is from the Complainant's name or mark, the less likely a finding of Abusive Registration. However, the activities of typosquatters are generally condemned - see for example DRS 03806 (privilege.co.uk) - as are those people who attach as appendages to the Complainant's name or mark a word appropriate to the Complainant's field of activity. See for example the Appeal decisions in DRS 00248 (seiko-shop.co.uk) and DRS 07991 (toshiba-laptop-battery.co.uk).*

*Subsequent to the Och-Ziff case (supra) the Court of Appeal in Interflora v Marks and Spencer [2014] EWCA Civ 1403 criticised the use of "initial interest confusion" as a concept relevant to English trade mark law. This case was discussed by the Appeal Panel in DRS 15788 (starwars.co.uk) who concluded that initial interest confusion remained an applicable principle in determining whether or not a domain name registration was abusive.*

*Another potential for confusion (frequently overlooked) is the use of a domain name for the purposes of email. There are many examples of registrants of domain names receiving email traffic intended for the Complainant. See for example Global Projects Management Ltd v Citigroup Inc. (citigroup.co.uk) [2005] EWHC 2663 Ch., and DRS 00114 (penquin.co.uk). Whether evidence of this occurring will lead to a finding of Abusive Registration will, of course, depend to a large extent on the nature of the domain name and the circumstances of its use. If, at the third level, it is a name which is lawfully in use by a number of people (e.g. a surname), the resultant confusion may just be a hazard which the Complainant will have to accept."*

In this case the website to which the .co.uk Domain Name resolves is not offering services which compete with the Complainant. But, ignoring the particular suffix, the Domain Name and website address are substantially identical to the Complainant's name, trade mark and domain name without further adornment. The Complainant would be rightly worried that an internet user arriving at this site hoping to find the Complainant might just assume the Complainant has gone out of business. That would be unfairly detrimental to the Complainant's Rights.

Likewise, the risk of email traffic going astray is readily apparent. Existing and potential customers may mistype the email address of a named person or, for example, the customer service department at the Complainant by sending it to [person@technicut.co.uk](mailto:person@technicut.co.uk) or [customer.services@technicut.co.uk](mailto:customer.services@technicut.co.uk) rather than [person@technicut.ltd.uk](mailto:person@technicut.ltd.uk) or [customer.services@technicut.ltd.uk](mailto:customer.services@technicut.ltd.uk). Any such emails sent by mistake to the .co.uk variant are likely to end up in a black hole. They could be emails about existing orders, new business or even complaints, any of which the Complainant would naturally be keen to deal with. If it

was unable to do so because of such confusion, that would also be unfairly detrimental to the Complainant's Rights.

I accordingly conclude that the technicut.co.uk Domain Name 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 and has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights.

### **The Second Respondent and the technicut.uk Domain Name**

As there are two separate Domain Names registered by two separate Respondents it is possible for the Complainant to succeed on one Complaint but fail on the other. However, in this combined DRS case, one of the Domain Names is the .uk domain that was registered on behalf of the registrant of the corresponding .co.uk Domain Name during the 5-year 'reserved right' sunrise period. That period does not expire for another 11 weeks until 25 June this year. Under the 'reserved right' rules for .uk domain names, the First Respondent as the owner of the registration of the existing .co.uk variant Domain Name, had the exclusive right to register the .uk variant Domain Name until 25 June 2019. That right took priority over the registrant of the .ltd.uk variant i.e. the Complainant, even though the Complainant's variant had been registered several years before.

That would not necessarily present any problem, but the Complainant maintains in its Complaints that the First Respondent was never the rightful registrant of the .co.uk Domain Name in the first place because it was an Abusive Registration from the very start. As set out above, I agree with that position. And the added twist in this case is that in 2017, the Registrar automatically registered, via its subsidiary company the Second Respondent, all available .uk domain names on behalf of all of its customers who held the qualifying corresponding .co.uk domain name registration. The Complainant says that covered about one million different domain names, and when it was done the First Respondent no longer existed.

The Complainant relies upon the following paragraphs of the DRS Policy:

*5.1.1 Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:*

*5.1.1.1 for the purposes of selling, renting or otherwise transferring the Domain Name to the Complainant or to a competitor of the Complainant, for valuable consideration in excess of the Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name;*

*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 purpose of unfairly disrupting the business of the Complainant;*

*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 the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant;*

*5.1.3 The Complainant can demonstrate that the Respondent is engaged in a pattern of registrations where the Respondent is the registrant of domain names (under .UK or otherwise) which correspond to well-known names or trademarks in which the Respondent has no apparent rights, and the Domain Name is part of that pattern;*

*5.1.6 The Domain Name is an exact match (within the limitations of the character set permissible in domain names) for the name or mark in which the Complainant has Rights, the Complainant's mark has a reputation and the Respondent has no reasonable justification for having registered the Domain Name.*

I have no doubt that when the Second Respondent registered the *technicut.uk* Domain Name in 2017, it did so genuinely believing that it was doing so on behalf of a customer who owned the corresponding qualifying .co.uk domain and it was therefore entitled to do so. It also did so for free. No doubt it was hoping subsequently to make money from renewal and/or hosting fees, but its customers were not obliged in any way to carry on using the Second Respondent or its parent company, the Registrar, for those future services. So for the purposes of paragraph 5.1.1.1 of the DRS Policy, whilst the Second Respondent did register the .uk Domain Name primarily for the purpose of transferring it to the First Respondent, who had been a competitor of the Complainant, it did not do so *"for valuable consideration in excess of the [First] Respondent's documented out-of-pocket costs directly associated with acquiring or using the Domain Name"*. It did so entirely free of charge.

Transferring it to the First Respondent for free was not just the Second Respondent's primary purpose in registering the .uk Domain Name as part of a blanket arrangement covering one million domain names. It can have been its only purpose under the rules set by Nominet to govern the 5-year 'reserved right' period. I therefore do not accept, for the purposes of paragraphs 5.1.1.2 and 5.1.1.3 of the DRS Policy, that the Second Respondent primarily intended the registration to act either as a blocking registration or for the purpose of unfairly disrupting the Complainant's business, even if it did in fact have those effects.

It is more of a moot point, for the purposes of paragraph 5.1.6 of the DRS Policy, whether or not the Second Respondent's genuine belief that it was acting properly on behalf of a customer when registering the .uk Domain Name during the 5-year reserved right period was a *"reasonable"* justification for having done so. The requirement of reasonableness brings in an element of an objective test rather than being solely based upon the Second Respondent's subjective belief. The Complainant says that Nominet has confirmed to it that the Second Respondent registered about one million .uk domain names ostensibly on behalf of its customers, but without necessarily seeking any express permission from or making the customer aware of its intention to do so in advance.

As the Second Respondent has not responded to the Complaint, I have no way of knowing whether or not, when registering the relevant .uk domain names, it did seek express permission from its customers in advance or if the terms and conditions under which it operated gave it an existing express or implied authority to act on each customer's behalf. But in any event, there is no evidence to suggest that the Second Respondent was aware that the First Respondent had been dissolved when it registered the .uk Domain Name ostensibly on its behalf. In the absence of any such evidence, I am not prepared to hold that the Second Respondent acted unreasonably when registering the .uk Domain Name during the 5-year 'reserved right' period.

Likewise, for the purposes of paragraph 5.1.3 of the DRS Policy, when purporting to register the .uk Domain Name on behalf of its customer as part of a pattern of one million such registrations, the Second Respondent had the apparent right to do so under the rules laid down for the 5-year 'reserved right' period because the corresponding .co.uk Domain Name remained registered in the First Respondent's name. That is notwithstanding the fact that, in respect of this particular .uk Domain Name, it did not have the actual right to do so on behalf of the First Respondent because by then it no longer existed.

The clear fact is that when the .uk Domain Name was registered in 2017, ostensibly on behalf of the First Respondent, it had in fact been dissolved for over two years and therefore did not exist. The Second Respondent had no actual right to register the .uk Domain Name during the 5-year 'reserved right' period on behalf of itself or anyone else who was not both a customer and the owner of the registration of the corresponding qualifying .co.uk Domain Name. As, at the relevant time, the First Respondent did not then exist, it cannot in fact have been registered by the Second Respondent on its behalf as a customer, regardless of what the Second Respondent believed to be the case.

Absent any earlier registration, after 25 June 2019, the .uk Domain Name can be registered by anyone, including the Complainant, on a 'first come' basis. But because the Second Respondent has (albeit inadvertently) wrongfully already registered it, that has had the effect of preventing the Complainant from applying to register it immediately after the end of the reserved right period on 25 June 2019. It has also meant that, under the rules relating to the 5-year reserved right period, once a .uk domain name has been registered during the 5-year period, it can then be transferred to a third party by the registrant at any time thereafter, or it can be cancelled by the registrant and then immediately becomes available to any third party on a 'first come' basis. By wrongfully registering the .uk Domain Name in its own name, the Second Respondent has purported to give itself these rights as the registrant. The Complainant would not necessarily even know if the .uk Domain Name was sold, given away or cancelled by the Second Respondent.

The circumstances set out in paragraph 5 of the DRS Policy are just examples of factors which may be indicative of an Abusive Registration. The final test is whether or not the manner of initial registration or acquisition, or the subsequent use of the Domain Name did take unfair advantage of or was unfairly detrimental to the Complainant's Rights. In this case, the initial registration of the .uk Domain Name was undertaken by the Second Respondent in a manner which turned out to be wrongful for this particular domain name, regardless of its intentions. Given that its competitor, the First Respondent, has ceased trading and no longer exists, the Complainant might have otherwise expected to be successful in any attempt to be 'first in the queue' to register the .uk Domain Name after the 5-year reserved right period, which ends very soon. The act of the Second Respondent in wrongfully registering it early during the 5-year reserved period has deprived the Complainant of that chance. That is unfairly detrimental to the Complainant's Rights in respect of its TECHNICUT name and trade mark.

It has also meant that the Complainant has had to suffer the risk that the wrongful early registration of the .uk Domain Name could be transferred to a third party or released onto the open market after being cancelled by the Second Respondent. That is also unfairly detrimental to the Complainant's Rights in respect of its TECHNICUT name and trade mark.

In addition, the Complainant said in its Complaint that the .uk Domain Name is not and never has been in use as it currently just redirects to the webpage of the .co.uk Domain Name, which is also not in use. When I visited [www.technicut.uk](http://www.technicut.uk) it did indeed redirect to

www.technicut.co.uk. However, as discussed above, www.technicut.co.uk is in fact in use as it displays a webpage advertising the services of the Registrar. For the same reasons as discussed above for the .co.uk Domain Name, that current and ongoing use of the .uk Domain Name is unfairly detrimental to the Complainant's Rights.

## **7. Decision**

For the reasons outlined above, I find that the Complainant has proved, on the balance of probabilities, that the Complainant has Rights in respect of a name or mark which is identical or similar to each of the Domain Names and that each Domain Name, in the hands of the respective Respondent, is an Abusive Registration.

In the circumstances I order that both of the Domain Names be transferred to the Complainant.

**Signed**

**Dated** 9 April 2019

Chris Tulley