

# **DISPUTE RESOLUTION SERVICE**

**D00022003**

## **Decision of Appeal Panel**

OVS S.p.A.

and

Nokta Internet Teknolojileri Sanayi ve Ticaret A.S.

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

Complainant: OVS S.p.A.  
via Terraglio 17  
Mestre  
Venezia  
Italy

Respondent: Nokta Internet Teknolojileri Sanayi ve Ticaret A.S.  
Gokirmak Sokak No:2  
Beysukent  
Ankara 06810  
Turkey

### **2. The Domain Names:**

ovs.co.uk (the “first Domain Name”)  
ovs.uk (the “second Domain Name”)  
These are referred to together as the “Domain Names”.

### **3. Procedural History**

This is an appeal by the Respondent against the full decision of Niall Lawless (the “Expert”) issued on 6 February 2020 in favour of the Complainant. The original Complaint was filed on 6 November 2019 and the Appeal Notice was filed on 6 March 2020. Definitions used in this decision have the same meaning as set out in the

Nominet UK Dispute Resolution Service Policy (as in effect from 1 October 2016) (the "Policy") unless the context or use indicates otherwise.

Nick Gardner, Claire Milne and Ian Lowe (together, the "Panel") have each made a statement to the Nominet Dispute Resolution Service in the following terms:

"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."

#### **4. The Nature of This Appeal**

Paragraph 20.8. of the Policy provides that: "The appeal panel will consider appeals on the basis of a full review of the matter and may review procedural matters. The appeal panel should not normally take into consideration any new evidence presented in an appeal notice or appeal response, unless they believe that it is in the interests of justice to do so".

The Panel concludes that insofar as an appeal involves matters other than purely procedural complaints the appeal should proceed as a re-determination on the merits.

For convenience the Panel will continue to refer to the parties as the "Complainant" and "Respondent" as in the original case that is now under appeal, although their position is now reversed: the Respondent has submitted its Appeal Notice while the Complainant has submitted its Response to that Appeal Notice.

#### **5. Formal and Procedural Issues**

The Respondent has provided new evidence at Annex 1 to its Appeal Notice, preceded by a request for the evidence to be admitted in the interests of justice. The evidence consists of an invoice demonstrating the date of acquisition by the Respondent of <ovs.co.uk>, which only came to light following the previous proceedings. In view of the clarification it provides, the Panel has accepted the request and will admit this evidence.

The Complainant has objected to the submission of new evidence by the Respondent, but has also itself submitted new evidence in the form of Attachment 11, which it asks to have taken into account because "the Complainant would have enclosed the exhibit already in the first instance, if the Respondent had disputed the relevant circumstance in due course. Since the latter did not, the Complainant considers the filing of att. 11 admissible".

In the circumstances, the Panel has also admitted this further evidence.

There are no other formal or procedural issues.

## **6. The Facts**

The Complainant, OVS S.p.A., is the largest clothing retailer in Italy, accounting for about 5% of the national clothing retail market. The acronym OVS stands for Organizzazione Venditori Speciali, Italian for “special sales organisation”; in Italian the initialism is pronounced as “oviesse”. Since its foundation in 1972, the Complainant has grown steadily and today there are more than 1,200 OVS S.p.A. stores open across the world. There do not, however, appear to be any stores in the UK or Turkey.

The Complainant owns and has long established trademark registrations of both “OVS” and “oviesse” in member states of the European Union, as well as numerous other countries around the world. These are in the main device marks for stylised forms of the word oviesse or the letters OVS, often but not always in combination with other words such as “industry”. Some but not all of these marks designate the United Kingdom. Thus for example international registration 005229174 filed on July 28 2006 is for a stylised form of the letters OVS and designates the United Kingdom.

The Respondent, Nokta Internet Teknolojileri Sanayi ve Ticaret A.S. founded in 2001, is a Turkish company that provides a domain sales service. The Domain Name <ovs.co.uk> was registered by the Respondent, along with at least four other three-letter .co.uk domain names, on 22 July 2011. The Domain Name <ovs.uk> was registered on 1 March 2019, taking advantage of the rights reserved to the registrant of the corresponding .co.uk domain name.

Both Domain Names formerly resolved to websites offering them for sale, for prices of \$7,500 (according to the Complainant) and £7,500 (according to the Respondent). At the time of writing this decision, both the Domain Names redirect to the domain name dealership at [www.noktadomains.com](http://www.noktadomains.com), whose front page currently advertises for sale a list of short purely numeric domain names of the form “037.co.uk”.

## **7. The Parties’ Contentions**

### **Complainant**

The Complainant claims Rights in the term “ovs” through its trade marks registered from 2006 onwards, of which it provides evidence, and a number of registered domain names which also incorporate this term, starting with <ovs.it> in 2000.

It alleges Abusive Registration on the following grounds:

1. the Respondent has no rights to or interest in the wording “ovs”.
2. the Respondent, who deals in domain names, acquired the Domain Names in order to sell them for amounts exceeding his out-of-pocket costs.
3. at the time of the first registration (thought by the Complainant to be 4 December 2015), the Complainant was very well known. Therefore, the Respondent must have registered the first Domain Name in order to sell it to the Complainant, or to disrupt the business of the Complainant.

In its Reply, it repeats these allegations and says that the Respondent’s failure to comment on them amounted to acknowledgement of their truth.

In its Appeal Response, the Complainant reiterates all its previous points. It also objects to the Respondent's submission of fresh evidence at this stage, and asks for its own new Attachment 11 to be taken into account. This copies email correspondence between the parties about possible transfer of the first Domain Name for €6,500. The Complainant claims that this correspondence shows that the Respondent did aim to sell the first Domain Name specifically to the Complainant. It also says that the Respondent should have checked for possible matches with trade marks before registering the first Domain Name.

## **Respondent**

The Response to the original Complaint was very short. It said only that it had held the first Domain Name continuously since registering it on 27 January 2003, and accused the Complainant of Reverse Domain Name Hijacking. No evidence was provided.

In the Appeal Notice, it points out that, according to Paragraph 8.4 of the DRS Policy, trading in domain names for profit and holding a large portfolio of domain names are of themselves lawful activities, although it appears that the Complainant does not understand this fact. It uses the Complainant's Attachment 10 (which lists a sample of 500 out of 17,000 domain names that the Respondent holds) as evidence of the large scale of its dealership, and of its wholly legitimate focus on acquiring and selling generic names.

It points out that three-letter domain names (of which there are 60 in the sample) are popular because they can stand for many different things, and are therefore valuable, and identifies two previous DRS cases in which domain name dealers successfully retained three-letter domain names.

The newly found evidence established the correct date of the Respondent's acquisition of the first Domain Name as 22 July 2011 (the previously cited date of 4 December 2015 was just an internal change of registration, while the date of 27 January 2003 was when the Domain Name was first registered, by another party). The Respondent challenges the Complainant's assumption that it was well known internationally in 2011. No evidence has been provided to support this assumption, or that the Respondent had or should have heard of the Complainant, and in fact the Respondent, not being expert in the fashion industry, had never heard of the Complainant before receiving the Complaint. The offer for sale of the first Domain Name was directed at the general public, not at the Complainant.

## **8. Discussion and Findings**

### **General**

Pursuant to paragraph 2.1 of the Policy, the Complainant must prove in relation to the Domain Names, on the balance of probabilities, that:

- i. the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Names; and
- ii. the Domain Names, in the hands of the Respondent, are Abusive Registrations.

### **Rights**

“Rights” are defined in the 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.”

The Complainant has established that it is the owner of many trade mark registrations in respect of “OVS”. It is well established that where a trade mark is a device mark any word or letters that form the dominant part of the trade mark are to be taken into account in assessing similarity. The Complainant owns various device marks including the letters OVS (see above). Ignoring the domain name suffixes “.co.uk” and “.uk” for this purpose, the Domain Names are identical or similar to these trade marks. Given this finding the Panel does not need to reach a conclusion in relation to the Complainant’s “oviesse” trade marks.

Accordingly, the Panel finds that the Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Names.

### **Abusive Registration**

In order to establish that the Domain Names in the hands of the Respondent are Abusive Registrations, the Complainant must show that the Domain Names were either:

- i) 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) have been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights”.

Demonstrating that a domain name is an abusive registration under paragraph i) above generally requires the Complainant to show on the balance of probabilities that at the relevant time the Respondent was aware of the Complainant and its Rights in the name or mark identical or similar to the domain name. This was the view expressed by the Appeal Panel in DRS 4331 (*verbatim.co.uk*) and the Panel in this appeal regards the general principle as applicable in this case.

The Complainant alleges that the Respondent was under a duty to make a trade mark search before registering the first Domain Name and that if it had done so it would have discovered the Complainant’s trade marks. The *verbatim* case is discussed in paragraph 2.4 of the Nominet Dispute Resolution Service – Experts’ Overview, version 3 (the “Experts’ Overview”), as follows:

*“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.*

*Where domain names are acquired as part of an automated or bulk transfer of a bundle of domain names, a Respondent will not escape the effect of the Verbatim decision on the basis that he was in fact unaware at the time of the transfer that one of the domain names was similar to a well-known trade mark. He will normally be taken to be aware (either actually or constructively) of the nature of his acquisition and the nature of the use that is being made of it.”*

The Complainant implies that if the Respondent had carried out a trade mark search it would then have recognised that it should not go through with the registration. Although the Panel agrees with the general approach outlined in the Experts’ Overview, it does not accept that there is an overriding duty on the part of an intending registrant to carry out such searches. Furthermore, in light of the nature of a three-letter name, such as in the present case, it does not necessarily follow that even if the Respondent had carried out such a search it should have been put off registering the Domain Name for the reasons set out below.

There has been some confusion as to the date of acquisition of the first Domain Name by the Respondent, but the essence of the Complainant’s case is that the Complainant and its OVS mark were so “notorious all over the world” at relevant times that the Respondent must have been aware of the Complainant and its mark. It claims that the Respondent’s purpose in registering the first Domain Name must have been with a view to selling it to the Complainant or disrupting the Complainant’s business.

However, the Complainant has failed to adduce any convincing evidence that this is the case. The Respondent makes the point that it is a dealer in domain names and has no knowledge of the fashion industry. The Complainant has not produced any evidence of a substantial reputation outside Italy, let alone in the UK or in Turkey. The Complainant has produced some English language articles in magazines dating from 2016 referring to the Complainant but nothing even pre-dating 2015 when it thought the Respondent had acquired the first Domain Name at the time of the original Complaint, let alone pre-dating 2011 which is now known to be the date of acquisition. The Respondent denies any knowledge of the Complainant until it received the initial cease and desist communication from the Complainant’s representative. The Panel does not accept, either, that the Complainant’s OVS mark could be regarded as such a well-known mark that the Respondent should be taken to have had constructive knowledge of it at the time of acquisition.

In the absence of any actual (or constructive) knowledge of the Complainant or its Rights, either at the time it registered the first Domain Name, or when it took advantage of the reserved right to register the second Domain Name, the Respondent cannot have registered the Domain Names with a view to selling them to the

Complainant or a competitor or to block the Complainant from effecting its own registration.

The Complainant also argues that further evidence of the Respondent's motive in registering the Domain Names may be inferred from the fact that at one time both Domain Names resolved to web pages offering the Domain Names for sale for the sum of £7,500 or \$7,500. The Complainant alleges that this demonstrates that the Respondent acquired the Domain Names with a view to selling them to the Complainant or a competitor for a sum in excess of its out-of-pocket expenses.

The Respondent's answer is that the sample of 500 domain names produced by the Complainant, out of over 17,000 held by the Respondent, illustrates that it is a large-scale dealer in generic domain names, and that there is no evidence that the offers on the websites were targeted at the Complainant rather than the public at large. As paragraph 8.4 of the Policy states, "Trading in domain names for profit, and holding a large portfolio of domain names, are of themselves lawful activities. The Expert will review each case on its merits." The Respondent further points out that three-letter domain names, such as those the subject of this appeal, may be of value and legitimate interest to a number of different prospective purchasers since they may match the initials of a number of organisations.

Finally, the Complainant relies on the email correspondence with the Respondent produced by the Complainant as new evidence in the Appeal, demonstrating that the Respondent offered the Domain Names for sale to the Complainant for €6,500. The email chain shows, however, that this was the culmination of a chain of emails beginning with the initial cease and desist communication by the Complainant. The Respondent, who asserts that this was the first it had heard of the Complainant, responded indicating that the Domain Names could be for sale. This led to an offer by the Complainant for €1,000 and the counter-offer by the Respondent for €6,500.

The Panel does not consider that either the original general offer to sell the Domain Names, or the subsequent specific offer to the Complainant, amount to evidence that the Respondent registered the Domain Names with a view to selling them to the Complainant or a competitor. The offers were, first, an offer to sell a generic three-letter domain name to the public at large in circumstances where there was no credible evidence that the Respondent was, or should, have been aware of the Complainant or its Rights; and, second, a legitimate offer to sell what could be regarded as a valuable generic domain name to an interested party.

There is no suggestion that the Respondent has otherwise used the Domain Names in a manner that could be said to take unfair advantage of or be unfairly detrimental to the Complainant's Rights.

The Expert concluded that although there was no direct evidence that the Respondent had the Complainant or its Rights in the OVS mark in mind when it registered the first Domain Name, it was plausible that this was the case "given the Respondent's expertise in the marketplace and the highly unusual combination of letters that make up the Domain Name". For the reasons set out above, the Panel respectfully disagrees and finds that the Complainant has failed to show, on the balance of probabilities, that the Domain Names in the hands of the Respondent are Abusive Registrations.

**9. Decision**

The Appeal Panel concludes that the Complainant has Rights in a mark which is identical to the Domain Names but that it has failed to show that the Domain Names are Abusive Registrations. For the foregoing reasons, the Appeal Panel upholds the Appeal and directs that no action be taken in respect of the Complaint.

**Signed .....**  
**Nick Gardner**

**Dated .....**

**Signed .....**  
**Ian Lowe**

**Dated .....**

**Signed .....**  
**Claire Milne**

**Dated .....**