

Nominet UK Dispute Resolution Service
DRS 04962
MySpace, Inc v Total Web Solutions Limited

Decision of Appeal Panel

Dated: 18 April, 2008

1. Parties:

Complainant/

Respondent: MySpace Inc
Address: 407N Maple Drive
Beverly Hills
California
Postcode 90210
Country USA

Respondent/

Appellant: Total Web Solutions Limited
Address: 12 Riverview
The Embankment Business Park
Heaton Mersey
Stockport
Cheshire
Postcode: SK43GN
Country: UK

In this decision the parties are referred to by reference to their nomenclature at first instance. In other words the Complainant remains "the Complainant" and the Respondent remains "the Respondent".

2. Domain Name in dispute:

myspace.co.uk

This domain name is referred to below as "the Domain Name"

3. Procedural Background:

15/08/2007 Hardcopies received and dispute entered into system

15/08/2007 Complaint documents generated and sent to Respondent

20/09/2007 Following extensive correspondence resulting in extension to the time for a response, Response hardcopies received and Response forwarded to Complainant

03/10/2007 Reply received following a one-day extension of time

23/11/2007 Mediation documents generated

23/11/2007 Further submission received from the Respondent

10/12/2007 Fees for Expert Decision received from Complainant

11/12/2007 Antony Gold selected as expert ("the Expert")

02/01/2008 Further submission received from the Respondent

03/01/2008 Further submission received from the Complainant

14/01/2008 Expert Decision documents received following extensions requested by the expert

25/01/2008 Notice of intent to appeal received from Respondent

14/02/2008 Balance of Appeal fee received

15/02/2008 Appeal Notice received and forwarded to Complainant

18/02/2008 Tony Willoughby selected as chair of Panel; Claire Milne and Sallie Spilsbury selected as co-panelists

03/03/2008 Appeal Response received and forwarded (04/03/2008) to Respondent

16/04/2008 The Respondent seeks permission to introduce a further non standard submission

Tony Willoughby, Claire Milne and Sallie Spilsbury (the undersigned, "the Panel") have each confirmed to the Nominet Dispute Resolution Service 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 into question my independence in the eyes of one or both of the parties. "

This is an Appeal against a Decision at first instance. The Panel was appointed to provide a decision on or before 21 April, 2008. This process is governed by the *Procedure for the conduct of proceedings under the Dispute Resolution Service* ("the Procedure") and the Decision is made in accordance with the *Dispute Resolution Service Policy* ("the Policy"). Both of these documents are available for inspection on the Nominet website (<http://www.nominet.org.uk/disputes/drs>).

4. The Nature of This Appeal:

The Panel has considered the nature of this appeal process and the manner in which it should be conducted. The Policy §10a provides that: *the appeal panel will consider appeals on the basis of a full review of the matter and may review procedural matters*".

The Panel concludes that in so far as an appeal involves matters other than purely procedural complaints the appeal should proceed as a re-determination on the merits. Accordingly, the Panel does not propose to undertake a detailed analysis of the Expert's decision.

5. Formal and Procedural Issues:

The Respondent has filed a Formal Complaint against Nominet over aspects of its administration of this administrative proceeding and has asked the Panel to deal with this issue in its decision.

The Panel declines to do so. The Panel was appointed to deal with the Respondent's Appeal against the decision of the Expert. The Formal Complaint appears to have no bearing on the merits of the Appeal.

As to the Respondent's request dated 16 April, 2008 that the Panel admit yet another submission from the Respondent, the Panel declines the request on the following grounds:

- a) Insofar as it relates to the complaint against Nominet, it is of no relevance to the merits of the appeal
- b) Insofar as it relates to a desire on the part of the Respondent to make submissions as to the legal effect of recent decisions of the English and German courts, the Panel believes it most unlikely that it will be of any assistance
- c) Not only has the request arrived very late in the day, it has arrived after the members of the Panel have reached unanimity as to the decision, a decision which the Respondent's further submission is most unlikely to affect in any material way.

6. The Facts:

The Panel gratefully adopts the factual background as set out by the Expert in section 5 of his decision of 14 January, 2008, as amplified/amended by the Panel:

The Respondent and the Domain Name

The Respondent has been providing internet services since it was established in 1995. At the time that the Response was filed in September 2007 the Respondent was managing over 80,000 domain names for its customers and registering around 2,000 new domains per month. The Respondent claims not previously to have received any claim of trademark infringement or any complaint under the UDRP or DRS.

The Respondent registered the Domain Name on 23 August 1997. It chose the Domain Name because the Domain Name described its desire to give clients their own web space and email addresses. It also registered and used the domain name <bigspace.co.uk> for this purpose. It provided web space and email facilities to clients

using the Domain Name from 1998 onwards. By December 2000 the Domain Name hosted over 290 "microsites". The Respondent also provided clients with their own email addresses in the form [name]@myspace.co.uk. It is still today providing email services to 18 customers using the Domain Name.

From November 1998 until October 2000 the Domain Name resolved to the Respondent's business webpage at <totalweb.co.uk>.

In about November 2003 (or possibly earlier) the Respondent placed a holding page at a Sedo operated revenue earning website connected to <bigspace.co.uk>, another domain name of the Respondent. The holding page contained links to other websites.

In July 2004, or possibly earlier, the Respondent connected the Domain Name to the same Sedo operated <bigspace.co.uk> holding page. The links were generated automatically by a standard software package on the basis of search engine results. The software package, like the webpage, was operated by Sedo, not the Respondent.

At some stage in June or July or August, 2005, at the Respondent's request, Sedo changed the <bigspace.co.uk> arrangement and set up a parking page dedicated to the Domain Name. The ambiguity surrounding the date of this change is explained below.

From about October 2005, the Sedo parking site to which the Domain Name resolves contained links to MySpace and/or other social networking related links. The links on the site include or have included "social networking", "photo sharing", "chat forum", "xxxmovies" and "sex", "MySpace - Official Site", "Make Friends Now Dammit", "Myspace Friend Adder", "SOCIAL NETWORK SOFTWARE" and "SOCIAL NETWORKING SITES".

The Complainant

The Complainant is the owner of the MySpace business. MySpace was founded in 2003. It is a series of social networking websites offering an interactive, user-submitted network of friends, personal profiles and other information. The acquisition of MySpace Inc by News Corporation, Inc in July 2005 received considerable attention. MySpace UK was officially launched in May 2006.

The Complainant's US trade mark, registration number 3183151, for the word mark MYSPACE was registered on 12 December 2006.

Two approaches were made on behalf of the Complainant to the Respondent in January 2006 in order to attempt to purchase the Domain Name. The sale price requested by the Respondent varied from \$100,00 USD to \$430,000 USD. The Complainant's representative also wrote a cease and desist letter to the

Respondent on 31 May 2007, which demanded, among other things, that the Domain Name be transferred to the Complainant. The Respondent replied stating that "we are still open to accepting the original agreed offer of £220,000+VAT" (letter dated 1 June 2007).

MySpace now has over 195 million profiles and attracts up to 300,000 new registrations every day. It now has over 10 million registered UK users.

7. **The Parties' Contentions:**

The Panel does not feel it necessary to set out in full here the parties' contentions at first instance. They are set out by the Expert in his decision of 14 January, 2008.

The issues before the Panel are amply set out in the Appeal Notice and Response, which are quoted in full below.

The Respondent's Appeal Notice

- (1) We repeat the pleadings already submitted, which comprehensively rebutted the numerous allegations made by the Complainant.
- (2) The Expert found against us on a ground not alleged in the Complaint, contrary to DRS Procedure 3(c)(v) and natural justice. The Complainant asserted that PPC use started in 2005 - but the Expert found against us on the unpleaded (and incorrect) basis that there was a change of the PPC use.
- (3) We attach a Formal Complaint that shows this case was unfairly handled by Nominet staff. The Expert was wrong to find that we were not prejudiced by this - they failed in their duty of neutrality and tried to cover it up. His own appointment was controlled by the same staff. He had recently decided a very similar case. DRS04889 wiseinsurance, in favour of the Complainant - a decision since reversed on Appeal.
- (4) We invite the Panel to admit our Formal Complaint in this Appeal under Procedure 18(h).
- (5) The name is wholly descriptive.
- (6) There is an issue of contractual rights arising from the Complainant's approach to buy the domain. This needs to be resolved in Court: DRS4632 Ireland.co.uk determined that the DRS is not a proper venue for contract disputes; that DRS Experts are not qualified to conduct such enquiries; and the domain should not be transferred prior to it being decided in Court.
- (7) We registered the disputed domain long before Complainant existed. The key fact in this case - verified by

a sworn affidavit - is that we have done nothing to change our use of the domain since we became aware of their existence and since they became widely known.

- (8) Originally, we used the domain name to provide webspace and email to our clients. The webspace service was discontinued and the domain name was directed to a holding page containing automatically generated PPC links.
- (9) The email service continues to this day.
- (10) The Expert was wrong to find that there was a change of use during 2005. The site merely continued to show automatically generated links on a standard Sedo template that included (by default) a "Maybe For Sale" sign.
- (11) The only thing that had changed was the Complainant had adopted and popularised a descriptive name already used by ourselves and several others. In due course, the links automatically generated by the Sedo software reflected the increasing reputation of Complainant. This was a consequence of Complainant's decision to adopt and popularise a descriptive name already used by ourselves and others. We were not responsible for that decision.
- (12) Furthermore, no one would have supposed from the content of our holding web page that it was operated by or associated with the Complainant. There was no evidence whatsoever of anyone being misled by the content.
- (13) The Complainant at no stage asked us to change the content. First it tried to buy the domain, then it sought to change the terms agreed, then it demanded we hand it over for free. It does not want us to change the links: it wants the domain which we registered and used before it existed, without compensating us.
- (14) The possibility that some users might visit our website when looking for Complainant's website is not a consequence of anything that we have done: it is a consequence of Complainant's adoption of our name.
- (15) The issue is whether the continuation of the use we commenced before we knew about Complainant took unfair advantage of or was unfairly detrimental to Complainant's rights. As has been repeatedly held by Appeal Panels in DRS4331 verbatim.co.uk, DRS3316 bounce.co.uk, DRS3733 mercer.co.uk and in DRS4769 rileys.co.uk, it follows that **"the Complainant must satisfy the Panel, as an opener, that the Respondent was aware of the existence of the Complainant...at commencement of an objectionable use of the Domain name"**. This condition was not met in this case.
- (16) The Expert was wrong to disregard our goodwill and obligations to our clients. On the contrary, the Policy

refers to the following factors indicating that a registration is not abusive, all of which are established in this case:

- a. 4(a)(i)(A) - before being aware of a complaint we used the domain for a genuine offering of services – the webhosting and continuing email service;
 - b. 4(a)(i)(A) - we have shown "*demonstrable preparations to use the Domain Name*", namely investment in software in preparation for resuming use for web space before becoming aware of a complaint;
 - c. 4(a)(i)(B) - we have been "*legitimately connected with a mark*" and developed goodwill in the domain name;
 - d. 4(a)(ii) - "*The Domain Name is generic or descriptive and [we are] making fair use of it*". PPC links on a descriptive/generic domain name is fair use of the domain.
- (17) This case is similar to DRS04889 wiseinsurance.co.uk, where a descriptive domain name registered and used for PPC adverts without knowledge of the complainant was found on Appeal to have been used fairly.
- (18) The parma-ham.co.uk Appeal held that "***The Policy was not intended to operate where there is a genuine clash of rights, in which case there needs to be testing of evidence and balancing of interests in Court.***" The Expert simply ignored our rights, when (insofar as there may be a balance to conduct) the correct approach should have been to acknowledge that the balancing act required meant that this case was too complex for the DRS to deal with.
- (19) We are not gaining an unfair advantage by continuing use that was unobjectionable when it started. We are not responsible for the consequences of Complainant's taking our name with complete disregard for our pre-existing rights.
- (20) The Expert wrongly ignored both DRS and common law precedents. The Seiko-shop.co.uk and bravissimo.co.uk Appeals (and others) make clear that legal authorities should (at least) be "***persuasive***" under the Policy. Where the authorities and leading textbook are directly contrary to the Complainant's submissions, they should be given due weight.
- (21) The DRS is not suited to conducting a complex passing-off claim, as the Complainant tried to do.

The Complainant's Response

- (1) Annexed "Formal Complaint" of Respondent is inadmissible in Appeal (Procedure 18(c)) and can't be saved by 12(b) or 18(h) and is a matter for Nominet not Appeal Panel.
- (2) The Expert was correct to find that Complainant had Rights and that the trade mark relied upon, 'MYSPACE', is not wholly descriptive of Complainant's business.
- (3) The Expert was correct to conclude that Respondent had knowledge of Complainant and its rights prior to Complaint and therefore passed the requirement identified by the Appeal panel in *Verbatim* (04331).
- (4) The Expert was correct to find that use of Domain Name was abusive per se under the general definition of Abusive Registration namely that Domain Name had been used in a manner which took unfair advantage of Complaint's Rights. The assessment of whether a domain name is an Abusive Registration is determined ultimately by reference to that definition. The list of grounds set out in paragraph 3 of the Policy isn't a definitive/conclusive list of conduct which is abusive and is expressly stated as being non-exhaustive. Actions falling outside of those listed in paragraph 3 can/will be abusive.
- (5) The Expert was wrong to conclude that the use of Domain Name was not such as to confuse people that it was operated or authorised by or otherwise connected to Complainant. It is rare in any such dispute that evidence of confusion in the form of complaints by members of the public will reach a complainant. The ground set out in paragraph 3(ii) of the Policy doesn't require actual instances of confusion to be evidenced, but allows an Expert to conclude that such a result will occur in the circumstances of a respondent's conduct. In the present circumstances, namely the notoriety of Complainant's mark and business, combined with the volume of hits to Respondent's website and the acknowledgment by Respondent that the links on its site are generated by the volume of internet searches for Complainant, are such that the Expert should have concluded that the use of Domain Name was causing confusion.

[Paragraph references below are to the Appeal Notice]

- (6) P6. There is no issue relating to contractual rights and this was not raised in the Response.
- (7) P7-14. Respondent wishes to paint a picture of itself as a respectable internet service company which (1) registered a descriptive domain name long before Complainant's Rights were created, (2) used Domain Name for the same services as Complainant, (3) is using the domain name in the same way as it did before Complainant commenced use of the same name (in the UK at least), (4) that, as a result, that which was not abusive before cannot be abusive now.

- (8) Domain Name is not descriptive, and even if it were, the use being made of it is not fair for the reasons set out in the Complaint. The assessment of whether Domain Name is abusive is at the time of the Complaint, and whether Respondent's rights pre-date the Complainant is not conclusive.
- (9) The services offered by Respondent are not and have not been the same as those of Complainant. Respondent historically hosted "micro sites" and still provides a few email addresses. However, Complainant provides a social networking website offering interactive, user submitted network of friends, personal profiles and other information. Parties have developed separate rights in the name for different services.
- (10) Respondent changes its use of Domain Name. Although Domain Name may have been directed to a SEDO parking site for some time, the content of the site itself clearly changed substantially. SEDO expressly assert that their customers are responsible for all content that appears on relevant websites. Because of the way in which the SEDO site operates, the links on the Respondent's website changed from that which had little or nothing to do with Complainant, to that which expressly referred to and took advantage of Complainant's business, a business that is distinct from any activity conducted by Respondent. See WIPO decision **Villeroy & Boch v. Mario Case 02007-1912** (14.02.2008) for finding of abusive domain name in similar circumstances.
- (11) Respondent cannot hide behind the automation of SEDO services. It is responsible for the content of its site and once it became aware of the content of that site either because it did so generally, or by realising that its income stream was significantly increasing from Domain Name and investigating why that was so, or because it was notified by Complainant, it had an obligation at the time that it became so aware, to remove the offending links. It is entirely wrong therefore for Respondent to maintain that its use didn't change. It is clear that the content of its SEDO site was changing and evolving, to a point where it referred extensively and predominantly to Complainant.
- (12) P1S. As identified above it is clear that Respondent was aware of Complainant and its Rights. This is not a case where a registrant was ignorant of third party rights and ceased any offending activities once it was put on notice. Respondent has repeatedly failed to cease its offending use and indeed has threatened to expand its activities.
- (13) P16. Respondent re-asserts that its activities fall within the factors contained within paragraph 4 of the Policy. The Expert concluded correctly that despite the factor contained within paragraph 4(a)(i)(A) existing, the conduct of the Respondent remained abusive. The factors referred to in the Policy are expressly qualified by the word "may" and

are not therefore conclusive factors. Complainant also submits that where uses of a domain name are both abusive and non-abusive, (in the present case the SEDO site and email use respectively), and Respondent refuses to cease the abuse, the registration must be found to be abusive.

- (14) P18. There will be a potential clash of rights in many DRS complaints, and it is submitted that in a case where there has been a clear and intentional or reckless taking advantage of a complainant's rights, the DRS is well placed to deal with a complaint.

8. Discussion and Findings:

General

In order for the Complainant to succeed it must (Policy §2) prove to the Panel, on the balance of probabilities, **both**:

*that it has Rights in respect of a name or mark which is identical or similar to the Domain Name; **and***

that the Domain Name, in the hands of the Respondent, is an Abusive Registration as defined in Paragraph 1 of the Policy.

Rights are defined in the Policy as:

Rights includes, but is not limited to, rights enforceable under English law. However, a Complainant will be unable to rely on rights in a name or term which is wholly descriptive of the Complainant's business;

If the Complainant satisfies the Panel that the Complainant has relevant rights, the Panel must address itself to whether the registration by the Respondent of the Domain Name is abusive.

An Abusive Registration is defined in the Policy as follows:

Abusive Registration means a Domain Name which either:

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

has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights;

The Issues before the Panel

There is no dispute between the parties that the Complainant has rights in respect of a name or mark (Le. MySpace), which is identical or similar to the Domain Name.

However, the Respondent argues that the name MySpace is wholly descriptive of the Complainant's business and therefore that, for the purposes of this administrative proceeding, any rights that the Complainant might have in the name are to be ignored having regard to the proviso to the definition of 'Rights' that *"a Complainant will be unable to rely on rights in a name or term which is wholly descriptive of the Complainant's business"*.

The Panel rejects that argument. At most, the Domain Name is mildly suggestive of the Complainant's service. It is certainly not wholly descriptive of that service.

Accordingly, the Panel merely has to focus its attention on whether or not the Domain Name is an Abusive Registration in the hands of the Respondent.

A domain name can be an Abusive Registration either because it was registered with abusive intent or because it has been used abusively.

The Complainant does not contend that the Domain Name was registered with any abusive intent, the Domain Name having been registered long before the Complainant's business saw the light of day. Accordingly, the only issue for the Panel is whether the Domain Name is being or has been used abusively by the Respondent.

The Complainant's contention that the Respondent's use of the Domain Name is or has been abusive is based on the belief that as soon as the Respondent became aware of the publicity associated with the acquisition of the Complainant by News Corporation in July 2005, the Respondent changed what had hitherto been an innocent unobjectionable use of the Domain Name to a use calculated to exploit the fame of the Complainant's trade mark.

If the Complainant can establish that to the satisfaction of the Panel, the Complainant must succeed.

The Respondent's defence is encapsulated in one short sentence in paragraph 7 of the Appeal Notice: *"... we have done nothing to change our use of the domain since we became aware of [the Complainant's] existence and since they became widely known"*.

It is necessary, therefore, for the Panel to review very carefully the Respondent's use of the Domain Name both before and after the publicity associated with the acquisition of the Complainant by News Corporation in July 2005.

It is important to note that the Complainant does not suggest that the Respondent was aware of the existence of the Complainant prior to the publicity in July 2005. It is also important to note that there is nothing before the Panel to indicate the level of the publicity given to the acquisition of the Complainant by News Corporation, nor is the Panel given any idea as to the date that this publicity commenced, save that it was in

July 2005. The Complainant acknowledges that MySpace UK was not launched until May 2006.

The Panel is satisfied that from about July 2004 the Domain Name has been connected to one or more revenue earning parking pages hosted by Sedo, a well-known internet services company. The Panel is also satisfied that whether or not the Respondent had the opportunity at any time to control the nature of the links posted on those pages, the Respondent has not in fact exercised any such control. The Panel accepts the Respondent's claim that the links have at all material times been generated automatically by a standard software package operated by or on behalf of Sedo, the entity hosting the relevant pages.

While the Domain Name has been connected to a Sedo parking page throughout the period under review, it is not the case that there have been no changes to the arrangement over that period. Two matters fall to be considered, namely the status of the parking page to which the Domain Name is/was connected and the changing nature of the site content.

The parking page

At some stage and at the Respondent's request, Sedo introduced a parking page dedicated to the Domain Name and connected the Domain Name to that page instead of the <bigspace.co.uk> dedicated parking page to which the Domain Name had previously been connected. The significance of this change is not entirely clear to the Panel, but the Panel assumes that it will have resulted in webpage content inspired by 'myspace' rather than content inspired by 'bigspace'. Had this change taken place after the Respondent had become aware of the Complainant, the Panel would have had evidence to support a conclusion that the change had been motivated by a desire to profit on the back of the reputation and goodwill of the Complainant.

When did it occur? The Respondent says that it occurred in June 2005 (Le. in advance of the relevant publicity), while the Complainant says that it occurred after that publicity and in the Complaint the Complainant cites a date of "no later than 17 August, 2005". The Respondent produces what purports to be a webpage from its Sedo account to support its claim, a webpage the authenticity of which the Complainant has not contested. As to the Complainant's date, the page of the exhibit bearing the handwritten note "17.08.05" (page 3 of Exhibit I to the Complaint) is an extract from the Webarchive site dated 31 July 2005. (This is evident from the Webarchive numbering at the bottom of the relevant page.)

A 31 July, 2005 date would still have post-dated the relevant publicity, but was it the date of first use of the page? The Panel simply has no means of knowing. On the one hand, the Respondent claims, with some justification, that the Webarchive

content is in certain respects incomplete; on the other hand, the timing of all this does give grounds for grave suspicion.

It may of course be that the Respondent became aware of the Complainant in advance of the July 2005 publicity, but the Respondent's denial is categoric and, in any event, it is not the Complainant's case that the Respondent would have learnt of the Complainant before July 2005.

Clause 2b. of the Policy provides that

"the Complainant is required to prove to the Expert that both elements are present on the balance of probabilities".

While the Panel has grave suspicions, there is simply insufficient material before the Panel for the Panel to conclude that the Respondent is not being truthful on this point. The evidence, such as it is, is in the Respondent's favour. Accordingly, the Complainant has failed to discharge its burden to establish that the date of first use of the page postdated the publicity surrounding the acquisition of MySpace. It follows that the Panel cannot do other than resolve this uncertainty in favour of the Respondent.

The site content

The sponsored links on these parking pages do not remain static. The automated nature of their generation, based on search engine activity, means that they vary according to the usage made of search engines by internet users. It is not surprising therefore that following the rise in awareness of the existence of the Complainant (i.e. after the publicity in July 2005), the sponsored links on the webpage connected to the Domain Name will have related more and more to the activity of the Complainant and others engaged in the same field. Are these automated changes to the content of the website changes in use of the Domain Name by the Respondent such as to render the Domain Name an Abusive Registration within the meaning of the Policy?

To date experts and Appeal panels have reasonably consistently taken the view that if a registrant acquires a domain name in advance of the coming into existence of the complainant's rights, the registrant is entitled in principle to hold onto the domain name and to use it, notwithstanding that confusion of the 'initial interest' variety may be inevitable. Similarly, experts and Appeal panels have concluded that in such circumstances it is not of itself abusive for the registrant to demand a high price from the complainant for transfer of the domain name in recognition of its enhanced value. Problems only arise for the registrant if he actively does something to take unfair advantage of his position. In the <iTunes.co.uk> case, for example, the registrant sought to rack up the price by threatening to transfer the domain name to a competitor of the complainant.

The Complainant contends that even if, contrary to its primary contention, the Respondent has done nothing new in respect of the Domain Name, it nonetheless has the ability to control the content of the website and that its failure to have exercised that control is enough to render the Domain Name an Abusive Registration.

In support of this contention the Complainant cites a WIPO decision (WIPO Case No. D2007-1912 *Villeroy & Boch v Mario*) concerning the domain name <villeroy-boch.mobi>. The relevant passage from the decision reads as follows:

"The only novel feature in this case is the Respondent's statement that the parking page was created by the Registrar, and that at the time the Respondent had no knowledge of its contents. These statements are corroborated by the information and disclaimer on the parking page itself, and the Registrar's contractual right under clause 3.6 of the registration contract referred to above. Further, the Respondent states that he has not received any money or discount from the website. However, these facts do not exclude bad faith under paragraph 4(b)(iv) for the following reasons: (i) paragraph 4(b)(iv) requires the Respondent to intend to attract Internet users 'for commercial gain', but this gain does not need to be derived by the Respondent himself. The Respondent cannot infringe the Complainant's rights with impunity on the basis that it is allowing a third party to reap the profits of its wrongful conduct; (ii) the Respondent has at all times been in contractual control of the content of the website at the disputed domain name, and had the power to instruct the Registrar to remove the parking page.

The Panel also finds that the Respondent's registration of the disputed domain name with knowledge of the Complainant's trademarks, its authorization to the Registrar to host a parking page at the disputed domain name, and then its failure to act when the Complainant complained of the links of this parking page to its competitors is an independent ground of bad faith. The Respondent is responsible for the content of any webpage hosted at the disputed domain name. It cannot evade this responsibility by means of its contractual relationship with the Registrar. The relationship between a domain name registrant and the Registrar does not affect the rights of a complainant under the Policy (cf Ogden Publications, Inc. v. MOTHEARTHNEWS.COM clo Whois IDentity ShieldIOGDEN PUBLICATIONS INC., Administrator, Domain WIPO Case No. 02007-1373)."

The UDRP is of course very different from the Policy in many important respects, but the Panel sees the force of the argument and recognises that a court might well impose upon registrants,

who find themselves sued for trade mark infringement or passing off in these circumstances, a duty to exercise control over site content.

However, the registration of domain names is still a first-come-first-served system and the Panel is reluctant to place any duty on a registrant, who has merely had the good fortune (or maybe ill fortune) to register a name in good faith, which subsequently, through no fault of his own, acquires notoriety, provided that he does nothing actively to exploit his position. The Panel observes that the *Vi//eroy & Boch* case was a very different case. The Respondent registered the domain name in issue with knowledge of the Complainant's rights and gave a very suspect reason for having registered it.

The Complainant asserts that the Respondent is infringing the Complainant's trade mark rights and that, because the Policy is intended to represent a quick and economic alternative to litigation, the Panel should follow the courts and direct transfer of the Domain Name.

While it is true that the Policy is intended to represent a quick and economic alternative to litigation, not all acts of infringement constitute an Abusive Registration under the Policy and not all Abusive Registrations within the terms of the Policy constitute trade mark infringement or passing off. Moreover, the members of this Panel are by no means certain how a court would react to a case of this kind. Most of the domain name authorities to date have involved domain names which were registered to take advantage of the claimant's rights. If infringement were found, the court might content itself with suitably worded injunction rather than transfer of the Domain Name.

The Panel concludes that the just result is to leave it to the Complainant to litigate the issue, if it so wishes. By this means, any uncertainties as to how and when changes to the website were made can be resolved by way of full disclosure and tested evidence.

The Panel is not satisfied on the evidence before it that the Domain Name in the hands of the Respondent is an Abusive Registration within the terms of the Policy.

9. Decision

The Panel therefore allows the Appeal and directs that NO ACTION be taken in respect of the Complaint.

S A-Spilsbury

Claire Milne

Tony Willoughby

Sallie Spilsbury



Dated: 18 April, 2008

C

Claire Milne

Tony Willoughby

Sallie Spilsbury

Dated: 18 April, 2008

1/ 

Claire Milne

Tony Willoughby

Sallie Spilsbury

Dated: 18 April, 2008