

# Nominet UK Dispute Resolution Service

**DRS 0387**

## **Blooming Tree Productions, Inc. –v- Virulent.net, Dominic Silk AKA Ed Bailey**

### **Decision of Independent Expert**

#### **Parties:**

##### **Complainant's Details**

Contact: Mr David Welsh  
Complainant: Blooming Tree Productions, Inc.  
Address: PO Box 720  
Tyler  
TX  
Postcode: 75710  
Country: US

##### **Respondent's Details**

Respondent: Virulent.net, Dominic Silk AKA Ed Bailey  
Address: Mallards  
The Chase  
Wooburn Common  
Bucks  
Postcode: HP10 0LN  
Country: GB

#### **Domain Name:**

everglide.co.uk ("the Domain Name")

#### **1. Procedural Background:**

The Complaint was lodged with Nominet on 7 May 2002. Nominet validated the Complaint and notified the Respondent of the Complaint on 13 May 2002 and informed the Respondent that he had 15 days within which to lodge a Response. No response was received from the Respondent. The Complainant was informed accordingly on 7 June 2002 and invited to pay the fee to obtain an Expert Decision

pursuant to paragraph 6 of the Nominet UK Dispute Resolution Service Policy (“the Policy”). The fee was duly paid on 13 June 2002.

On 14 June 2002, Nominet invited the undersigned, Niel Ackermann (“the Expert”), to provide a decision on this case and, the Expert having confirmed to Nominet that he knew of no reason why he could not properly accept the invitation to act as expert in this case and further confirmed that he knew of no matters which ought to be drawn to the attention of the parties, Nominet duly appointed the undersigned as Expert with effect from 14 June 2002.

On 24 June 2002, the Expert issued a Request for a Further Statement from the parties and the parties were given until 1 July 2002 to respond to this request.

The Complainant by e-mails and faxes on 24, 25 and 27 June 2002 provided further information. The Respondent has failed to provide any information.

Paragraph 15b of the Procedure provides that, if, in the absence of exceptional circumstances, a Party does not comply with any time period laid down in this Policy or Procedure, the Expert will proceed to a Decision on the Complaint.

Under Paragraph 5a of the Dispute Resolution Service (“the Procedure”) the Respondent was required to submit a Response to the Complaint to Nominet by 28 May 2002. The Respondent has failed to do so. There are no exceptional circumstances to prevent the Expert proceeding to a Decision.

Pursuant to paragraph 16a of the Procedure the Expert should reach a decision based on the Parties' submissions and the Policy and Procedure. In the absence of any exceptional circumstances, pursuant to paragraph 15c of the Procedure, the Expert is entitled to draw such inferences from the Respondent's non-compliance with the Policy or Procedure as he considers appropriate.

## **2. The Facts:**

1. The Domain Name was registered on 15 April 2000 by the Respondent, Virulent.net
2. The administrative contact for the Domain Name is Ed Bailey.
3. On, or around, 27 April 2000, a licence agreement (“the Licence Agreement”) was signed by a Dominic Silk.

## **3. The Parties' Contentions:**

### **Complainant:**

The Complainant's submissions are as follows:

1. “The licensed Domain Name www.everglide.co.uk, was licensed to Nominet UK registrant and Trademark Domain Name Licensee Dominic Silk AKA Ed Bailey April 27th 2000 by the Complainant Blooming Tree Productions, Inc. David Welsh, www.everglide.com.”
2. “The rights provided the Licensee by the Licensor required that the Licensee establish and maintain the Domain Name for the sole purpose of distributing within the Licensee's jurisdiction among other products those products bearing the Licensor's Trademark.”
3. “As a result of numerous customer complaints of poor customer service and a failure to fulfil orders; and as a result of the Domain Name Renewal Fee being delinquent causing the Domain Name to be “de-tagged” for non-payment therefore rendering the Domain Name unavailable on line; and other acts of

Licensee neglect, on April 29th 2002 the Licensor revoked the Licensee's License to use the Domain Name pursuant to "Trademark", "Notices", II. Right of Distribution, III. Return of Right of Distribution, and IX Rights of Ownership of Trademark, of the License Agreement dated April 27, 2000."

4. Pursuant to the Expert's request for a Further Statement asking the parties to deal with whether (and, if so, when) the Complainant and the Respondent signed the alleged Licence Agreement, together with a copy of any signed agreement, the Complainant provided a copy of the signed Licence Agreement with further evidence to the effect that Dominic Silk, Ed Bailey and Virulent.net are, in effect, alter egos of the same person.

**Respondent:**

As indicated, the Respondent has not responded.

## **4. Discussion and Findings:**

### **General**

The Complainant has to establish under paragraph 2 of the Policy that it has Rights as defined in paragraph 1 of the Policy in respect of a name or mark 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, as defined, "includes but is not limited to rights enforceable under English Law". The Complainant has the burden to prove on the balance of probabilities both that it has the Rights and also that the Domain Name, in the hands of the Respondent, is an Abusive Registration.

### **Complainant's Rights**

Paragraph 2 of the Policy requires the Complainant to prove that "it has Rights". Usually, a Complainant will seek to establish that it has registered or unregistered Trade Mark rights, possibly in England but also elsewhere. Although the Complainant refers to a "Trademark" in its complaint, it adduces no evidence which assists the Expert in finding that it has any kind of trade mark right which is enforceable in England or elsewhere. This is despite the fact that Nominet on its web site provides extensive help to assist the parties in preparing their submissions.

For example, on the DRS Complaint Form Help, Nominet advises, amongst other things:

*"If you are asserting registered or unregistered trade mark rights, please describe:*

- *How long you have used the name or mark;*
- *What goods or services you provide under the name or mark."*

Any evidence of that nature would have assisted the Expert to find that the Complainant has enforceable trade mark rights, particularly in a case like this where no response is submitted. It may well be the case that the Complainant has trade mark right or that it has established goodwill in the name *Everglide* but, if so it is up to the Complainant to adduce the relevant evidence. It is not up to an Expert to investigate what use has been made by a complainant of a trade mark or name.

In this particular case, the Complainant has adduced only a Licence Agreement between it and a Mr. Dominic Silk in support of its claim to have Rights to the Domain

Name. On the face of the Licence Agreement Mr. Silk's address includes the name, Virulent.net but the Agreement is not expressed to be signed on behalf of Virulent.net. However, as the Complainant has provided uncontroverted evidence (albeit only in response to the Expert's request for a Further Statement) to the effect that Dominic Silk, Ed Bailey and Virulent.net are alter egos of the same person, the Expert is prepared to accept that, on a balance of probabilities, the Licence Agreement was entered into by the Respondent.

In the Licence Agreement, the Respondent agreed, amongst other things, that: *"the Domain, www.everglide.co.uk, is the Trademarked protected proprietary property of the [Complainant]."*

As indicated, the Complainant has not established to the satisfaction of the Expert that it has any trade mark rights. Trade mark rights cannot be vested on someone by agreement and, therefore, it follows that the Complainant also has not established that: *"the Domain, www.everglide.co.uk, is the Trademarked protected proprietary property of the [Complainant]"*.

There is, however, no explicit requirement in the Policy or Procedure that the Rights need to be what are normally considered to be trade mark rights and which are therefore enforceable against the world at large. It is open to a Complainant to establish that it has some other right in respect of a name identical or similar to the Domain Name.

In this case the Complainant's evidence is that it has a personal right against the Respondent in respect of the Domain Name arising out of the Licence Agreement. If the Licence Agreement were continuing, this would not be an enforceable right but the Licence Agreement, although on the face of it valid for three years, has on the uncontroverted evidence of the Complainant been terminated.

The only provision in the Licence Agreement as to the consequences of termination is in Clause III:

*"At the expiration of this License Agreement or upon notice duly rendered as a result of a breach of the provisions, rights, and/or warrants contained herein all rights and privileges granted the licensee by the Licensor, as herein provided, shall revert to the Licensor as fully as though the same had never been granted."*

In the absence of any evidence from the Respondent, the Expert is prepared to accept that, the Respondent having agreed that the *"the Domain, www.everglide.co.uk, is the Trademarked protected proprietary property of the [Complainant]"* the intention of the parties was that the Domain Name was a "right" which should "revert" to the Complainant on termination or that this is a necessary implied term to make commercial sense out of the arrangement.

The Expert therefore finds that the Complainant has a contractual right against the Respondent to have the Domain Name transferred to it and that such a contractual right is a right enforceable under English Law. As this contractual right relates to the Domain Name it follows that the Domain Name is identical to the name in which the Complainant asserts rights.

For the reasons given above, the Expert finds that the Complainant has proven, on a balance of probabilities, that it has Rights in respect of a name or mark, which is identical to the Domain Name.

## **Abusive Registration**

According to the Policy 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;

In the DRS Complaint Form Help, Nominet suggests that the Complainant state the reasons why it consider the registration of the disputed domain name to be an Abusive Registration, for example:

- *has the Respondent offered to sell the domain name(s) to you for more than the Respondent paid for it?*
- *Is the domain name(s) a blocking registration?*
- *Is the domain name(s) being used in a way which has confused people?*

The Policy also provides in paragraph 3 a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration.

The Complainant has ignored the Help document and the Policy and has not specifically dealt with the reasons why it considers the registration of the disputed domain name to be an Abusive Registration.

The most salient point in its Complaint is the following

*“as a result of the Domain Name Renewal Fee being delinquent causing the Domain Name to be “de-tagged” for non-payment therefore rendering the Domain Name unavailable on line”*

This statement is in respect of the Complainant's reasons for terminating the Licence Agreement and is not submitted as a reason to why the Complainant considers the registration of the disputed domain name to be an Abusive Registration. However, as the Respondent has not seen fit to file a Response, the Expert is prepared to draw an adverse inference and find that the Domain Name, having been allowed by the Respondent to be de-tagged for non-payment and rendered unavailable on line, now constitutes a blocking registration and, therefore, an Abusive Registration.

## **Comment**

This Complaint is one which the Expert has found in favour of the Complainant but the Experts feels that he should comment on the poor quality of the Complaint. It appears that the Complainant has failed to consider the guidance provided on the Nominet website (or, if it has considered it, has substantially ignored it). Until the Expert had requested a Further Statement from the parties, there was no evidence that the Respondent was the person who the Complainant had licensed. Absent that evidence and any evidence of ownership of any enforceable registered or unregistered trade mark rights in England or elsewhere, the Complainant would have had substantial difficulty in proving its case, notwithstanding the failure of the Respondent to file any evidence.

Tony Willoughby, the chairman of Nominet's adjudicating experts, has recently been quoted in the Law Society's Gazette in respect of Nominet's Dispute Resolution Service, as saying: 'We are going to get tough with those submitting poor quality

applications. Some complainants have benefited from experts plugging gaps by making assumptions in their favour, but complainants should not bank on that continuing.'

The Expert supports the reported views of Mr. Willoughby. This time the Complainant was able to plug a gap as a result of the Expert issuing a request for a Further Statement but such an opportunity will not always be available.

## **5. Decision:**

In light of the foregoing finding, namely that the Complainant 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, the Expert directs that the Domain Name everglide.co.uk be transferred to the Complainant.

**Niel Ackermann**

**3 July 2002**