

# CAPITOL RECORDS, INC. –v- CPIC NET

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Nominet UK Dispute Resolution Service

**DRS 1302**

## **Capitol Records, Inc. –v- CPIC Net**

Decision of Independent Expert

### **1. Parties:**

Complainant: Capitol Records Inc.  
Address: 1290 Avenue Of The Americas  
New York

Postcode: 10104

Country: US

Respondent: Mr Syed Hussain  
Address: CPIC Net  
155<sup>th</sup> Street  
Closter  
New Jersey

Postcode: 07624

Country: US

### **2. Disputed Domain Name:** capitolrecords.co.uk ("the Domain Name")

### **3. Procedural Background:**

The Complaint was lodged with Nominet UK ("Nominet") on 2 April 2002. Nominet validated the complaint and notified the Respondent of the complaint on 5 April 2002 (deemed received 8 April 2002) and informed the Respondent that he had 15 days within which to lodge a response. The due date for a response was 29 April 2002. No response was received within the prescribed time or at any time at all. Mediation not being possible in these circumstances, Nominet so informed the Complainant and on 10 May 2002 the Complainant paid Nominet the appropriate fee for a decision of an Expert pursuant to paragraph 6 of the Nominet UK Dispute Resolution Service Policy ("the policy").

The delay between payment of the fee and appointment of the Expert is due to an administrative misunderstanding between Nominet and the Complainant and has no bearing on any of the issues surrounding this matter

On 9 July 2002, the undersigned, Mr Alistair Abbott, ("the Expert") 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, which might appear to call into question his

independence and/or impartiality. He was subsequently selected by Nominet as the Expert for this case.

**4. Outstanding Formal/Procedural Issues (if any):**

The complaint has been correctly lodged and complies with the requirements of The Procedure for Conduct of Proceedings under Nominet's Dispute Resolution Service. The appropriate declarations have been made and the document is signed.

There has been no response from Mr Hussain of CPIC Net.

The Expert is satisfied that The Complainant has complied with all the required policies and procedures and the Respondent has been given every opportunity to lodge a response.

**5. The Facts:**

Capital Records is an established record label and in many respects is “a household name”. The Complainant has produced evidence to support this quoting Frank Sinatra as one of many famous names to be associated with it. Capitol Records Inc. is the proprietor of the registered trademark CAPITOL. The Complainant Company is a subsidiary of EMI Group Plc.

The Complainant has produced evidence in annex A to support the fact that it has a registered trademark in CAPITOL in numerous countries throughout the world.

The Complainant has produced evidence that it is a music publishing business and that the word “records” describes its business.

On 7 February 2002 EMI issued a press release to the effect that it would use Capitol as a main brand name in preference to EMI.

A WHOIS query of the Nominet database revealed that CPIC Net registered the Domain Name capitolrecords.co.uk on 8 February 2002. As a result the Complainant approached the Respondent by letter asking a number of questions including whether the Respondent would sell the Domain Name. A telephone conversation took place where the figure of some US\$1500.00 for the transfer of the Domain Name to Capitol Records Inc. was discussed. This was provisionally agreed but then on reflection having regard to the respondent failing to indicate a right to the legitimate use of the Domain Name, the lack of a website and the timing of the registration the offer was reduced to US\$500.00 which was refused.

A search of the Nominet database reveals a series of Domain Name registrations by CPIC Net in permutations of company names which CPIC Net do not appear to have any connection. The Complainant quotes the registration by CPIC Net of the name vodafonemannmann.com at around the time of the widely publicised merger in 1999

**6. The Parties' Contentions:**

*Complainant:*

The substance of the Complaint is The Respondent has registered the Domain Name primarily for the purpose of transferring the name for valuable consideration in excess of

the Respondents out-of-pocket costs directly associated with acquiring the Domain Name.

## **RESPONDENT**

The Respondent has failed to respond to the Complaint. The evidence produced by the Complainant is therefore unchallenged.

### **7. Discussion and Findings:**

#### *General*

The Complainant claims a right to the Domain Name as being identical or similar to a trademark in which they have rights and, secondly, that the Domain Name, in the hands of the Respondent, is an Abusive Registration (as defined in paragraph 1 of the Policy).

#### *Complainant's Rights*

The Complainant owns the registered trademark CAPITOL throughout numerous Countries worldwide and the word records describes its business.

The name of the Complainant company in which the directors have rights and the disputed Domain Name are so similar to convince the Expert that the complainant can justifiably bring this claim for Abusive Registration.

#### *Abusive Registration*

Is the Domain Name, in the hands of the Respondent, an Abusive Registration?

A non-exhaustive list of factors, which may be evidence that the Domain Name is an Abusive Registration, is set out in paragraph 3a of the Policy.

"Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name:

A Primarily 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;

The respondent has registered the Domain Name capitolrecords.co.uk the day following the press release from EMI and has failed to develop a website. The timing of this registration and the lack of website development has convinced the expert that the registration of capitolrecords.co.uk by the respondent is an abusive registration and was primarily acquired for the purpose of selling the Domain Name to the Complainant for profit.

Further consideration is given to paragraph 3 C iii, which states:

In combination with other circumstances indicating that the domain name in dispute is an abusive registration, the complainant can demonstrate that the Respondent is engaged in a pattern of making abusive registrations.

A search using Compumarks Saegis search system has revealed a number of Domain Names registered by the Respondent where there is no apparent or obvious connection

with the Respondent. The most telling of these is the registration of vadafonemannesman.org and vodafoneannesmann.com registered by the Respondent in late 1999 at around the time of the formal announcement of the merger of Mannesman and Vodafone. Although there is no direct evidence that the Respondent has attempted to sell these Domain Names there is also no evidence from the Respondent that he had any justifiable or legitimate reason to register these names and the conclusion can be drawn that they were acquired either to sell for profit or as a blocking registration which would further contravene paragraph 3 B of the policy.

A discussion took place on the telephone in which the sum of \$1500.00 was discussed for the transfer of the Domain Name to the Complainant far in excess of any out of pocket expenses which may have been incurred. This was acceptable by the Respondent, which would indicate to the Expert the Respondents true motivation for the registration of the Domain Name.

The Respondent has been asked to explain why he registered the Domain Name? And what was his intended use of it? Both questions he has failed to answer but in answer to a third question, would he be prepared to sell the Domain? The answer was yes.

The Expert has no doubt that the registration of capitolrecords.co.uk is a component part of a pattern of abusive registrations when viewed with all the other surrounding circumstances.

Although failure to develop a website in itself is not evidence of an abusive registration when viewed with the other factors indicated above would suggest that this is a factor that can be taken in to account when assessing the overall picture.

There is clearly a case to answer as an abusive registration and the Respondent is now required to show;

4 i A He has used or has made preparation to use the Domain Name in the offering of goods or services.

There is no evidence that he has.

4 i B Been commonly known by the name or is legitimately connected with a mark which is identical or similar to the domain name.

There is no evidence of any connection in the name or description of the Respondents business with the Domain Name whereas the Complainant has the name CAPITOL as a registered trademark in numerous countries and "records" legitimately describes its business.

4 i C Made legitimate non – commercial use of the Domain Name or (ii) The Domain Name's generic or descriptive and the Respondent is making use of it.

The Respondent has failed to show that he is making legitimate fair use of the Domain Name and therefore fails also on this point.

Accordingly, the Expert finds that the Domain Name is an Abusive Registration within the definition of that term in paragraph 1 of the Policy on the basis that it was registered to sell to the Complainant for profit in excess of out of pocket expenses.

8. **Decision:**

In light of the foregoing findings, that the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert directs that the Domain Name, capitolrecords.co.uk be transferred to the Complainant.

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ALISTAIR ABBOTT

22 JULY 2002