

Nominet UK Dispute Resolution Service

DRS 0001

Eli Lilly and Company –v- David Clayton

Decision of Independent Expert

1. Parties:

Complainant: Eli Lilly and Company
Address: Trade Mark and Copyright
Lilly Corporate Center
Indianapolis
Indianapolis
Postcode: 46285
Country: US

Respondent: Mr David Clayton

2. Domain Name:

xigris.co.uk (“the Domain Name”)

3. Procedural Background:

The Complaint was lodged with Nominet on September 25, 2001. Nominet validated the Complaint and notified the Respondent of the Complaint on September 26, 2001 and informed the Respondent that he had 15 days within which to lodge a Response. The Respondent failed to respond. Mediation not being possible in those circumstances, Nominet so informed the Complainant and on October 25, 2001 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”).

On November 1, 2001, Tony Willoughby, the undersigned, (“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.

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

Here it is convenient to deal with the consequences of the Respondent not having submitted a Response to Nominet in time (or at all) in compliance with paragraph 5a of the Procedure for the conduct of proceedings under the Dispute Resolution Service (“the Procedure”).

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

There is no evidence before the Expert to indicate the presence of exceptional circumstances; accordingly, the Expert will now proceed to a Decision on the Complaint and notwithstanding the absence of a Response.

Paragraph 15c of the Procedure provides that “ If, in the absence of exceptional circumstances, a Party does not comply with any provision in the Policy or this Procedure , the Expert will draw such inferences from the Party’s non-compliance as he or she considers appropriate.”

What inferences would it be appropriate for the Expert to draw from the absence of a Response in this case? The Expert is conscious that Respondents may fail to respond for a variety of reasons. The reason may simply be that the Respondent has nothing useful to say in his defence, or it may be that he has not received the Complaint, perhaps because he is away and not in email contact or perhaps because he has not kept his contact details with Nominet up-to-date.

Generally, the absence of a Response from the Respondent does not, in the Expert’s view, entitle an expert to accept as fact all uncontradicted assertions of the Complainant, irrespective of their merit.

In this case it seems to the Expert that the probable facts speak for themselves and that it is not necessary to draw any special inferences. The Expert finds that the probable facts asserted by the Complainant and set out in the next following section are indeed facts.

In many cases, as in this one, the principal disadvantage attached to failing to respond will be the loss of an opportunity for the Respondent to demonstrate, pursuant to paragraph 4 of the Policy, circumstances tending to show that the Domain Name is not an Abusive Registration. Where, as here, the Respondent has a case to answer (i.e. the Complainant has made out a prima facie case) and there is no answer, the Complaint must ordinarily succeed.

5. The Facts:

The Complainant is a well-known pharmaceutical company. On February 3, 1999 it applied for registration of the trade mark XIGRIS as a Community Trade Mark for pharmaceutical preparations. The application was successful.

Between June 2000 and June 2001 the Respondent worked for the Complainant as a Contract Analysis Programmer and in the course of that period of employment learnt that XIGRIS was a brand of the Complainant.

On June 8, 2001 the Respondent registered the Domain Name.

On August 1, 2001 the Complainant wrote to the Respondent drawing attention to its rights in the trade mark XIGRIS and requesting transfer of the Domain Name. The Respondent did not reply.

6. The Parties' Contentions:

Complainant:

The substance of the Complaint is short and reads as follows:

1. The Complainant is the registered proprietor of the trade mark XIGRIS in all the Countries of the European Union, including the UK, through Community Trade Mark Registration No. 1070200 XIGRIS dated 3 February 1999, registered in respect of "pharmaceutical preparations". A copy of the Registration Certificate for Community Trade Mark Registration No. 1070200 is attached hereto as Annex (A) to this Complaint. The Respondent's domain name registration for xigris.co.uk was registered on 8 June 2001. The Complainant's trade mark rights in the name XIGRIS therefore predate the Respondent's domain name registration. Furthermore the Respondent's domain name is identical to the Complainant's trade mark. It is submitted that the Respondent's domain name registration is clearly detrimental to the trade mark rights of the Complainant and that the Respondent's domain name registration is therefore an abusive registration.
2. The Respondent was contracted to work for the Complainant between June 2000 and June 2001 through an employment agency, Proactive Appointments Ltd, as a Contract Analyst Programmer. The Respondent worked for the Complainant in this capacity over this period and a copy of the contract confirmation note from Proactive Appointments Limited to Eli Lilly and Company Limited naming the Respondent is attached as Annex (B) to this Complaint. The trade mark XIGRIS is an unusual and invented word which does not appear in any English Dictionary. It is clear that whilst working for the Complainant the Respondent became aware that the word XIGRIS had been chosen by the Complainant as a brand name. The Respondent being aware that XIGRIS is a brand of the Complainant and not being a licensee of the Complainant nor an authorised user of the trade mark XIGRIS has therefore registered the domain name xigris.co.uk in bad faith and it is submitted that this is further evidence that the Respondent's domain name registration is an abusive registration.
3. The Complainant is a major ethical pharmaceutical company of worldwide repute and XIGRIS is the chosen brand name of a pharmaceutical preparation. The purpose of the Respondent's domain name registration is not known but there are clearly public health and possibly public safety issues which may arise from unauthorised use of this name.
4. The Complainant is in the process of creating a web site to promote its XIGRIS brand. It is therefore submitted that the Respondent's name registration is a blocking registration as the Complainant is unable to use xigris.co.uk as an address for its web site.
5. The Complainant wrote to the Respondent on 1 August 2001 drawing attention to its rights in the word XIGRIS and requesting transfer of the domain name. A copy of this letter is attached as Annex (C) to this Complaint. No reply has been received to this letter to date.

Respondent:

The Respondent has not responded

7. Discussion and Findings:

General

To succeed in this Complaint the Complainant has to prove to the Expert pursuant to paragraph 2 of the Policy on the balance of probabilities, first, 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, 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

In this case the first limb of that task is straightforward. The Complainant is the proprietor of registered trade mark rights in the name or mark XIGRIS. The Domain name comprises the name or mark XIGRIS and the suffix <.co.uk>. In assessing whether or not a name or mark is identical or similar to a domain name, it is appropriate to discount the domain suffix, which is of no relevant significance and wholly generic.

The Expert finds that the Complainant has rights in respect of a name or mark, which is identical to the Domain Name.

Abusive Registration

This leaves the second limb. Is the Domain Name, in the hands of the Respondent, an Abusive Registration? Paragraph 1 of the Policy defines "Abusive Registration" as:-

"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."

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. There being no suggestion that the Domain Name is in use in any ordinary sense (i.e connected to an internet facility for email or website purposes) and/or that the Respondent has engaged in a pattern of making Abusive Registrations and there being no suggestion that the Respondent has given to Nominet false contact details, the only potentially relevant 'factors' in paragraph 3 are to be found in subparagraph i, which reads as follows:

"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;

- B. as a blocking registration against a name or mark in which the Complainant has Rights; or
- C. primarily for the purpose of unfairly disrupting the business of the Complainant;”

The Complainant is in difficulty here, because, as it candidly admits, “the purpose of the Respondent's domain name registration is not known”; yet the circumstances referred to in the above sub-paragraph all involve identifying the Respondent’s purpose in making the registration. In that regard, the Expert interprets “as” in sub-paragraph B as being synonymous with “for the purpose of”. Were it to be interpreted otherwise all domain name registrations would inevitably constitute “blocking registrations” for any later arrival wishing to use the name in question.

The Complainant asserts:

“The Complainant is in the process of creating a web site to promote its XIGRIS brand. It is therefore submitted that the Respondent's name registration is a blocking registration as the Complainant is unable to use xigris.co.uk as an address for its web site.”

On the Expert’s interpretation of the relevant sub-paragraph (see above), this submission of the Complainant is not good enough. It does not follow that, because the Domain Name is in fact blocking the Complainant from doing what it wants to do, the Respondent registered the Domain Name to achieve that purpose. The Complainant does not know the Respondent’s purpose and does not suggest a purpose.

But the list of factors set out in paragraph 3 of the Policy is a non-exhaustive list. Is there anything else about the conduct of the Respondent, which could justify the Expert in coming to the conclusion that in the hands of the Respondent the Domain Name is an Abusive Registration?

The Complainant makes the following further submissions/allegations:

- (i) “It is submitted that the Respondent's domain name registration [being identical to the Complainant’s trade mark] is clearly detrimental to the trade mark rights of the Complainant and that the Respondent's domain name registration is therefore an abusive registration”
- (ii) “The trade mark XIGRIS is an unusual and invented word which does not appear in any English Dictionary. It is clear that whilst working for the Complainant the Respondent became aware that the word XIGRIS had been chosen by the Complainant as a brand name. The Respondent being aware that XIGRIS is a brand of the Complainant and not being a licensee of the Complainant nor an authorised user of the trade mark XIGRIS has therefore registered the domain name xigris.co.uk in bad faith and it is submitted that this is further evidence that the Respondent's domain name registration is an abusive registration.”

- (iii) “ ... there are clearly public health and possibly public safety issues which may arise from unauthorised use of this name.”

As to (i) the submission as expressed by the Complainant is defective. Showing ‘detriment’ is not enough. See the definition of “Abusive Registration” in paragraph 1 of the Policy. The ‘detriment’ has to be unfair. The Expert agrees that the Respondent’s registration of the Domain Name is arguably capable of being unfairly detrimental to the Complainant’s trade mark rights, but the point is not clear-cut and the Complainant has made no effort to substantiate that submission. On what the Expert has before him the Expert is not prepared to hold that the Domain Name is an Abusive Registration on that ground.

It is convenient to mention here that not all experts appointed to make decisions under the Policy will be trade mark specialists, so if complainants are proposing to rely on propositions commonly deployed in trade mark disputes, they would do well to flesh them out with evidentiary support and in a fashion comprehensible to someone not well-versed in that practice area.

As to (ii) the Expert agrees that the circumstances leading to the registration of the Domain Name are indicative of relevant abusive conduct. The Domain Name comprises in essence a distinctive made up name. It is identical to the Complainant’s trade mark. A week prior to the making of the registration the Respondent was working for the Complainant. The Complainant did not ask the Respondent to register the Domain Name and did not give the Respondent permission to register the Domain Name. There is no obvious reason why the Respondent might be said to have been justified in registering the Domain Name. In the hands of the Respondent the Domain Name constitutes a threat hanging over the head of the Complainant. While it is not impossible to think of uses to which the Domain Name may be put, which could cause little or no damage to the Complainant, there are many obvious and potentially damaging uses to which the Domain Name could be put. The circumstances surrounding this registration understandably give the Complainant no comfort. The submission set out in (iii) above, while not in itself a ground for finding that the Domain Name is an Abusive Registration, is something to be taken into account when considering a Domain Name featuring the name of a pharmaceutical preparation (present or future – the Expert observes that the papers before him contain no details of the product), the Domain Name having been registered by someone with no obvious justification for having done so.

In the view of the Expert the Respondent clearly has a case to answer on the basis that in registering the Domain Name the Respondent took unfair advantage of the Complainant’s rights.

It is here that paragraph 4 of the Policy has a part to play. Paragraph 4 of the Policy is headed “How the Respondent may demonstrate in its response that the Domain Name is not an Abusive Registration”. The onus is ordinarily upon the Complainant to prove what needs to be proved (for the exception see paragraph 4b), but where the Expert has found that the Complainant has made out a prima facie case and that the Respondent has a case to answer, the Respondent must have an answer. Here there is no answer. In other cases it may be that the circumstances will be such that the expert will feel able to suggest a reasonable answer, but that is not this case.

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 in a manner which, at the time when the registration took place, took unfair advantage of the Complainant’s rights.

8. Decision:

In light of the foregoing findings, namely that the Complainant has rights in respect of a name or mark which is identical 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, xigris.co.uk, be transferred to the Complainant.

Tony Willoughby

Date