

# Nominet UK Dispute Resolution Service

**DRS 00058**

**NOKIA CORPORATION v. JUST PHONES LIMITED**

**Decision of Independent Expert**

## **1. Parties:**

Complainant: Nokia Corporation  
Address: IPR  
PO Box 226  
Postcode: 00045  
Country: Finland

Respondent: Just Phones Limited  
Address: Active House  
37B Maidstone House  
Paddock Wood  
Kent  
Postcode: TN12 6DG  
Country: UK

## **2. Domain Name:**

nokiaringtones.co.uk (“the Domain Name”)

## **3. Procedural Background:**

The complaint was received by Nominet on 19 October 2001. Nominet validated the complaint and informed the Respondent, by both letter and by e-mail on 22 October 2001, noting that the Dispute Resolution Service had been invoked and that the Respondent had 15 days (until 12 November, 2001) to submit a Response. A Response was received on 9 November, 2001 and forwarded to the Complainant on 12 November, 2001 with an invitation to the Complainant to make any further submission in reply to the Response by 19 November, 2001. The Complainant duly filed a reply on 19 November, 2001, which was forwarded on to the Respondent on the same day. The Respondent did not take up the option of Informal Mediation, so no such Mediation was possible. The Complainant was informed accordingly on 7 December, 2001 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 December, 2001.

On 17 December 2001, Nominet invited the undersigned, Keith Gymer ("the Expert"), to provide a decision on this case and , following confirmation to Nominet that the Expert knew of no reason why he could not properly accept the invitation to act in this case and 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, Nominet duly appointed the undersigned as Expert with effect from 20 December, 2001.

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

None.

#### **5. The Facts:**

The Complainant, Nokia Corporation, is an internationally-known manufacturer of mobile telephones and other telecommunications products. The Complainant's history dates back to 1865, and the Nokia name has been used in relation to telecommunications since the 1980's. The Complainant evidently has a large number (reportedly over 300) of trade mark registrations throughout the world for the word NOKIA or for marks in which the NOKIA is the dominant distinctive element. These include, *inter alia*, UK, European Community and US Trade Mark registrations for NOKIA (with and without a device element) and for NOKIA - CONNECTING PEOPLE, the marks being registered in a number of classes. The earliest UK registrations of NOKIA for which evidence was provided in the complaint apparently date from 1993. The UK and European Community Registrations specifically cover, amongst other things, "*apparatus for the recording, transmission and reproduction of sound ...*"; and "*telecommunications [services]*".

According to the Interbrand Annual Survey evidence appended to the Complaint, NOKIA was rated the fifth most valuable brand in the world in 2000 up from the 11<sup>th</sup> in 1999.

A Nominet WHOIS search shows that the Domain Name, nokiaringtones.co.uk, was registered on behalf of the Respondent 8th September 1999, evidently through the agency of freenetname.net.

The evidence shows that the Respondent has at some time operated a website under the url *www.nokiaringtones.co.uk*. The site included a front page disclaimer to the effect that:

*"The website you are about to enter is not connected with Nokia Corporation or Nokia Mobile Phones Limited ("Nokia") in any way. In view of this we must stress that all of our products are of the highest quality. If you acknowledge all of these points then please feel free to enter our website. By entering our website you have acknowledged the points above."*

The page otherwise provided no identification of who was actually behind the website, although the HTML page heading included, presumably for the benefit of search engines, the listing:

*"Just Phones, Mobile Phones, Siemens, Ericsson, Nokia Ringtones, Nokia Fascias, Phone Accessories"*.

The user was invited to click on a link:

"I Agree  
ENTER WEBSITE"

This link then took the visitor to a homepage of Just Phones Limited at *www.justphones.co.uk/Main%20Frame.htm*.

The evidence did not show when this website was first established nor when it or the Domain Name first came to the attention of the Complainant.

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

### **Complainant:**

The Complainant has asserted that:

1. The Complainant has Rights in respect of a name or mark which is identical or similar to the Domain Name (Policy Paragraph 2a(i)):

As detailed above, the Complainant has extensive rights and trade mark protection for NOKIA and other marks incorporating NOKIA. The Complainant does not claim to have any registered marks for, or rights in, "nokiaringtones" as such, but that "[t]he Respondent's Domain Name incorporates the Claimant's identical NOKIA trade mark, to which they have added purely descriptive words, "RINGTONES"."

Taken as a whole, the Respondent's Domain Name is neither generic nor descriptive. Although the words "RINGTONES" are descriptive of one type of product offered for sale on the Respondent's website, the word "NOKIA" is neither generic nor descriptive, and the addition of the descriptive words "RINGTONES" does not render the Respondent's Domain Name descriptive.

2. The Domain Name, in the hands of the Respondent, is an Abusive Registration (Policy Paragraph 2a(ii)) principally because it has been used in a manner which takes unfair advantage of or is unfairly detrimental to the Complainant's rights:

As noted above, the Respondent trades on the internet under the name "Justphones.co.uk" and does not trade or offer goods or services for sale under the NOKIA name. After typing in "NOKIARINGTONES.CO.UK", Internet users are taken to a one-page site whereupon a hypertext link takes them through to the Respondent's site at "www.justphones.co.uk". The Respondent's site offers for sale various mobile telephone accessories such as facias, ringtones and logos. The site is not limited to offering for sale Nokia products or accessories (whether authorised or not) for Nokia products, but also products and accessories for a number of other organisations including (without limitation) Ericsson, Motorola, Sagem and Siemens. The Complainant has not licensed nor otherwise permitted the Respondent to use the Domain Name nor the trademark.

The Respondent has no rights or legitimate interests in respect of the Domain Name. The Domain Name (in particular the NOKIA part of the domain name) is used solely to attract, for commercial gain, Internet users to the Respondent's website and further or alternatively to create the impression that the Respondent's website is in some way sponsored, affiliated or endorsed by Nokia Corporation. Thereby the Respondent is taking unfair advantage of the Complainant's goodwill and reputation in the NOKIA trademark.

The Respondent's use of the Domain Name "NOKIARINGTONES.CO.UK" is unfairly detrimental to the Complainant's rights. The incorporation of the whole of the Claimant's trademark in the Respondent's Domain Name creates a likelihood of confusion on the part of Internet users and thereby creates a likelihood that Internet users may associate the Complainant's NOKIA trademark with companies other than

the Complainant. There is, therefore, a likelihood that the use of the Respondent's Domain Name may be detrimental to the Complainant's rights by diluting the capacity of the Complainant's trademark to indicate the origin of his goods or services.

3. Evidence of Abusive Registration by Offer to sell the Domain Name:

The Complainant claims to have made contact with the Respondent through their solicitors in an attempt to resolve matters without recourse to Nominet proceedings. The Complainant's solicitors wrote to the Respondent on 20 July 2001 setting out the Complainant's reasons for complaining about the Respondent's use of the domain name "NOKIARINGTONES.CO.UK". [Copies of this correspondence were not provided in the Complaint.] The Respondent's trade mark agents thereafter reportedly entered into a lengthy course of correspondence with the Complainant's solicitors. [Again, not copied in the Complaint.] During the course of this correspondence and, in particular, in the Respondent's trademark agent's letter of 24 August 2001 and e-mail of 10 September 2001 [copies of which were provided in isolation in the Complaint], the Respondent offered to sell the domain name "NOKIARINGTONES.CO.UK" to the Claimant for more than the Respondent paid for the domain name. In the Respondent's trademark agent's e-mail of 10 September 2001, the Respondent asked the Complainant to pay £5,000 to the Respondent for the immediate transfer of the "NOKIARINGTONES.CO.UK" domain name.

**Respondent:**

The Respondent made submissions in its Response to the following effect:

1. Web addresses commonly describe the service or product to be found there, and no consumer wholly expects to find Rolls Royce Ltd operating usedrollsroyce.com, or Company Formations Ltd operating the site at companyformations.co.uk. Indeed, the Respondent's Trade Mark Agents operate instantcompanies.co.uk, not because it is their corporate or brand name but because it describes a service to be purchased there. Consequently, the Respondent alleged that its web address is, "by the honest and accepted standards of commerce, a description of what is to be found at the site, namely ringtones compatible with Nokia phones".
2. Compatibility between Nokia phones and our ringtones is stated to be an important issue for a consumer, and thus worthy of inclusion in the site's descriptive name, as allegedly evidenced by the common practice of advertisements expressing compatibility. By way of example the Respondent cited SinglePoint 4U Ltd's 4-page ringtone flyer which reportedly states [allegedly both on the front cover and inside, although no copy was submitted in evidence] "Nokia compatible". The Respondent also claimed that "[a]most every week, popular magazines such as TV & Satellite Week carry full-page advertisements boldly headed "ringtones & logos for your nokia" ( 28 July edition, page 81, 4th August edition, also page 81)." [Again, no copy of such advertisements was provided in evidence.]
3. The Respondent went on to assert the belief that "the present use of our domain name is likely to be declared by the court use of our own address and, being in accordance with honest practices, lawful and proper. Such use does seem very common, and even big guns such as IBM have not yet intervened to stop ibmaccessories.com taking consumers (unsurprisingly?) to a store selling accessories which complement IBM computers. If the court were to hold our domain name not to be an "address", then a very similar defence is afforded under s11(2)(c) of the Trade Marks Act 1994. With

descriptive web addresses so widely accepted and commonplace, we take the view that no reasonable consumer would expect to find the Nokia Corporation at our address. Our domain name merely describes truthfully what is to be found there."

4. Although "Nokia" shop window displays adorn many high streets, the Respondent claims that "no reasonable consumer believes each shop is owned and operated by Nokia Corporation. Rather, he expects to buy Nokia and Nokia-compatible products there".
5. The Respondent states in respect of its "Disclaimer", referred to above, that "[t]o avoid confusing even the dullard consumer, we have placed a large, permanent First-Page notice of having no connection with Nokia."

6. With regard to the Complainant's assertions that the offer to sell the Domain Name was evidence of Abusive Registration, the Respondent observed that:

"The Trade Mark Agent's letter of 24th August does suggest a financial settlement to the dispute. However, it is utterly clear from this letter that any such payment is to reach a speedy and final peace-of-mind resolution to both sides. Further, it is a modest acknowledgement to Just Phones Ltd that they are abandoning all prospects of having their rights examined and upheld at law."

The "much-preferred option for the Respondents" was asserted to be "that they be allowed to continue unmolested in their descriptive inclusion in their domain name of the Nokia trade mark."

"The suggestion by the Respondent's Trade Mark Agents of exploring a financial payment was based on the incredibly high cost of litigation, and the uncertainty of outcome."

The Respondent concluded on these grounds that:

"... a proposal from the Respondent that the Applicant consider payment for the Respondent's abandonment of unsettled and unquantified rights would have passed a very good and bona fide consideration."

7. In the Response, the Respondent's Agent referred to, but did not expand upon, "serious criticism" of a case evidently cited by the Complainant in otherwise undisclosed correspondence between the parties [BMW v Deenik], and the "more serious obstacle to the Respondent, namely Volvo v Swedish Car Tuning."

### **Complainant's Reply**

In Reply to the points raised in the Response the Complainant made various rebuttals:

1. The Domain Name under complaint is not purely descriptive. The Complainant has no objection to the Respondent using a descriptive domain name for their website such as "mobilephoneringtones.co.uk". The Respondent provides the example of a theoretical domain name "usedrollsroyce.com" and states that no consumer would expect Rolls Royce to be operating at such a site. The Claimant disagrees; many consumers are likely to consider that this is the address of a site run by Rolls-Royce for persons who want to purchase a used Rolls-Royce.
2. The Respondent cites examples such as the following slogans in advertisements "Nokia compatible" and "ringtones & logos for your nokia [sic]" to assert that their domain name is descriptive. The Complainant does not take issue with a truly descriptive use of their trade mark to identify their genuine products in accordance with honest practices. The examples of slogans provided by the Respondent may,

depending on the circumstances, amount to such use. However, the Respondent's use of the mark in the domain name goes much further than the examples would suggest. The inclusion of the Complainant's trade mark in the Respondent's domain name is not purely descriptive and is not an honest use of the mark.

3. An example of practices of third parties is not relevant under the provisions the Dispute Resolution Policy. Even if it were relevant, the Respondent has not asserted, and the Complainant does not know if there is a connection between IBM and the operators of the site *ibmaccessories.com*; for example, has IBM licensed or approved the site? The Respondent also cites the provisions of s11(2)(c) of the Trade Marks Act 1994 to justify their domain name. The section 11(2)(c) defence is subject to the proviso that the use of the trade mark must be in accordance with "honest practices"; the Respondent's acts do not accord with "honest practices".
4. A high street shop selling products compatible with the Complainant's telephones may place an advertisement in the window indicating that they sell "Products for Nokia telephones", but cannot name the shop or trade under the name "Nokia telephones".
5. The disclaimer on the website cannot render the use of the domain name non-abusive. The same reasoning applies to a high street shop that cannot trade under the name "Nokia telephones" by notifying their customers once inside the shop that that the shop is not associated with the Complainant. Both the Respondent's notice and the high street shop notice example do not render the use non-abusive or in accordance with honest practices. Customers may visit the website or the high street shop on the basis of the domain name or the trading name of the high street shop in the belief that they are associated with the Complainant. The customer once there may, despite receiving the notice, stay and proceed with his purchases. The Respondent is thereby taking unfair advantage of the Complainant's trade mark as set out in the Complaint.
6. The Respondent seeks to justify the making of and the quantum of their offer to sell the domain name to the Complainant for £5,000 on the basis of the cost of litigation. The sum of £5,000 is vastly in excess of the expert's fixed fee of £750 under Nominet's Dispute Resolution Policy. Furthermore, the Complainant fully anticipates that the sum of £5,000 will exceed substantially the Complainant's or the Respondent's legal costs in connection with this Complaint. The offer was therefore disproportionate and is evidence of abusive use of the domain name.
7. Trade Mark cases - the uncertainty (if any) of the matter in trade mark law is not a relevant consideration under the Dispute Resolution Policy.

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

### **General**

Paragraph 2 of the Policy requires that, for the Complainant to succeed, it must prove to the Expert, 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.

## **Complainant's Rights**

The Complainant in this case has asserted that it has rights in the name and mark NOKIA and that this name is identical or similar to the Domain Name.

On the basis of the evidence submitted, it is clear that the Complainant has substantial rights in the word NOKIA. It has directly relevant registered trade mark rights, which would be enforceable in the UK. In the Expert's opinion, it has also established that NOKIA is undoubtedly an internationally famous mark, which would potentially entitle it to additional legal protection on that basis.

However, the name NOKIA is not identical to the Domain Name as a whole, nor to the unique portion of the Domain Name, "nokiaringtones". It is therefore necessary to consider whether it is "*similar*" for the purposes of the Policy.

To an English reader, the Domain Name is readily seen as comprising the Complainant's mark, NOKIA together with the element "ringtones". The Respondent has itself admitted that this is how the Domain Name is constructed. The "ringtones" element is simply descriptive of products (i.e. "ringtones") and associated services (i.e. "supply of ringtones", whether by means of a communications network or otherwise). It is a generic term. The distinctive component of the Domain Name is the name NOKIA, which will inevitably be seen in this context for exactly what it is - a famous brand name obviously relevant to such goods or services.

From a trade mark perspective, in these circumstances, the combination "NOKIAringtones" would therefore certainly be considered as "*confusingly similar*" to NOKIA. The Expert sees no reason to suggest that the Policy requirement that the mark be "*similar*" should be construed any more narrowly.

Accordingly, for the purposes of the Policy the Expert concludes that the Complainant does have Rights in this case in respect of a name or mark, which is similar to the Domain Name.

## **Abusive Registration**

The Complainant also has to show that the Domain Name is 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 are set out in Paragraph 3a of the Policy. The most relevant factor in the present case is as set out in Paragraph 3a(ii):

- ii Circumstances indicating that the Respondent is using the Domain Name in a way which has confused people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant."

To be entirely consistent with this example there would need to be some evidence of actual confusion on behalf of people or businesses that the Domain Name was being used by the Respondent in a way which led them into believing that the Domain Name was connected with the Complainant. No evidence of actual confusion was presented by the Complainant.

However, the factors listed in Paragraph 3 of the Policy are only exemplary and indicative. They are not definitive. It is Paragraph 1 of the Policy, which provides the definition as indicated above.

The Complainant has not alleged specifically that the Domain Name "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" (per Paragraph 1(i) of the Policy), although it has stated that the Complainant has not licensed or permitted the Respondent's use of the Domain Name. In this situation there might possibly have been a case for the Complainant to have argued that merely by registering in the Respondent's name a domain name such as the Domain Name at issue, comprising a famous and distinctive trade mark combined with a mere product description, the registration must necessarily have been made in a manner which took unfair advantage of the Complainant's Rights. This would seem to follow from the analysis applied by the Court of Appeal in the leading UK case involving domain name registrations (*British Telecommunications plc and Others v. One in a Million Ltd and Others* [1999] ETMR 61), where the Court stated:

*"The placing on a register of a distinctive name [...] makes a representation to persons who consult the register that the registrant is connected or associated with the name registered and thus the owner of the goodwill in the name."*

As the Complainant has not expressly pursued such an argument, the Expert has not considered this option any further.

The issue then is whether or not the Domain Name has been used in a manner, which took unfair advantage of or was unfairly detrimental to the Complainant's Rights (per Paragraph 1 (ii) of the Policy).

The evidence shows that the Domain Name has been used for a webpage which included a link redirecting visitors to the Respondent's own website.

The name NOKIA is used in the Domain Name in a trade mark sense. The Expert accepts the Complainant's submissions on this point. The Respondent's arguments that the use of NOKIA is merely descriptive and somehow in accordance with honest practices in such matters are entirely unconvincing. Such arguments might conceivably have had some merit if the Respondent had adopted a more realistically descriptive domain name such as "ringtones4nokiaphones.co.uk" (in the Expert's view the distinction is a fine one, and a domain name such as "ringtones4nokia.co.uk" alone would still not necessarily be considered purely descriptive). However, the Respondent did not choose such a name. They chose NOKIAringtones.co.uk because that would take most effective advantage of the reputation and goodwill established by the Complainant in the famous NOKIA name.

The Respondent then used the Domain Name in a classic "bait and switch" format. "NOKIAringtones.co.uk" was the "bait" to attract interested consumers, whereupon the web page link would effect the "switch" to transfer the visitor to the Respondent's own web site.

The Respondent's Disclaimer on the web page is plainly spurious and inadequate to avoid liability for the evident misappropriation of the Complainant's goodwill and reputation which has taken place. The statement "The website you are about to enter" (on clicking on the link "ENTER WEBSITE" - see above for full text of the purported Disclaimer) would refer to the



www.justphones.co.uk website in any event, and there is no indication on the www.nokiaringtones.co.uk web page of who is responsible for that page.

Whilst it may be observed that the Nominet DRS is an independent, contract-based, administrative procedure, it would be artificial in the extreme to consider it in isolation from the application of real-world rights and standards enforceable under statute. Trade Mark judgements may not be definitive for the purposes of the Policy, but they can provide sensible guidance on appropriate interpretation and the Expert believes it is appropriate to consider relevant cases on that basis.

The Respondent has alleged "serious criticism" of the applicability of the judgement of the European Court of Justice in BMW v. Deenik, Case C-63/97 to this present case. The Expert, on the contrary, considers that judgement to be highly pertinent.

In BMW v. Deenik, which was not a domain name case, but which involved consideration of the right of a trade mark owner (BMW) to prevent informative use of its mark by a dealer, the Court held that the proprietor of a trade mark was not entitled to prohibit a third party from using the mark for such informative purposes "unless the mark is used in a way that may create to the impression that there is a commercial connection between the other undertaking and the trade mark proprietor, and in particular that the reseller's business is affiliated to the trade mark proprietor's distribution network or that there is a special relationship between the two undertakings." [Emphasis added].

In the Expert's opinion, use of the NOKIA mark in a trade mark sense in the Domain Name, nokiaringtones.co.uk creates precisely the sort of impression which the ECJ allows the trade mark owner to prevent. Were the present proceedings for trade mark infringement that proviso would surely apply.

As the Respondent also itself acknowledged, in the Swedish case of Volvo Personvagnar AB v. Scandinavian Car Tuning AB, the Swedish Court also enjoined the defendant from using the domain name volvo-tuning.com, holding that such use was an infringement of Volvo's trade mark rights in the VOLVO mark.

Consequently, the Expert has no difficulty in concluding that the Domain Name has manifestly been used by the Respondent in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights and that it is an Abusive Registration for the purposes of the Policy.

For the record, however, the Expert notes that he does not accept the Complainant's submissions regarding the alleged offer for sale of the Domain Name. There are two reasons for this.

Firstly, the Complainant made its submissions based on a very selective and partial presentation of the relevant correspondence. In particular, the Complainant did not disclose any of its own correspondence to which it is evident that the Respondent was replying. This is clearly unsatisfactory. In the absence of full disclosure, it is not possible to determine, for example, whether or not the Complainant threatened action for trade mark infringement or whether the Complainant invited the Respondent to make some form of settlement offer. If a party wishes to rely on issues arising from *inter-partes* correspondence, then the Expert believes that it is incumbent on the party seeking to raise such issues to disclose all the relevant correspondence and not just to present a partial selection.

Secondly, it is in the nature of such correspondence, which was in fact between legal advisors to the parties, that it would be likely to attract, at least to some extent, "*without prejudice*"

protection in ordinary legal proceedings. Although, as noted above, Nominet DRS proceedings are private administrative proceedings rather than ordinary legal proceedings, the Expert considers that it cannot be generally desirable to rely on evidence which might be privileged and inadmissible in a Court of Law. In the recent judgement in *WH Smith Ltd v. Peter Colman* [2001] FSR 9, the Court of Appeal expressed a very robust view on the circumstances in which "*without prejudice*" privilege might be waived, holding that:

"To fall outside the protection of the "*without prejudice*" rule, [a] communication had to disclose "unambiguous impropriety". The protection was not to be set aside simply because the party making the communication appeared to be putting forward an implausible or inconsistent case or to be facing an uphill struggle if the litigation continued."; and:

"In the absence of evidence of unambiguous impropriety, the defendant had to be given the doubt in negotiations which were directed towards a possible compromise."

It has been suggested that this protection should not automatically apply in Nominet's administrative proceedings. The present Expert nevertheless believes that evidence which might otherwise be privileged should still only be considered in exceptional circumstances. It is desirable that any Dispute Resolution Service should be operated in a manner which encourages the parties to settle between themselves if possible. In particular, in a case like this one, where the Complainant had the option of pursuing legal proceedings as an alternative to using the Nominet DRS, it cannot be equitable for a Respondent to be potentially subject to two distinct privilege regimes - on the one hand, if the Complainant opts for Court action, a Respondent can expect to have a settlement offer considered "*without prejudice*", whereas on the other, if the Complainant opts to use the DRS, a Respondent can only be confident that a settlement offer will not be used against him if he waits for proceedings to reach the "Informal Mediation" stage. Such inconsistency cannot assist in promoting early resolution of a dispute.

These observations, however, do not change the Expert's conclusion in this case.

## **8. Decision:**

Having concluded that the Complainant has Rights in respect of a name or mark which is similar to the Domain Name and that the Domain Name, in the hands of the Respondent, is an Abusive Registration, the Expert determines that the Domain Name, *nokiaringtones.co.uk*, should be transferred to the Complainant.

---

Keith Gymer

January 7, 2002

Date