

# Nominet UK

## DRS Adjudication

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**DRS Reference Number: Complaint 120**

Complainant: A business operating under the name Peoplesoft UK Limited and operating from Apex Plaza, Reading, Berkshire, RG1 1AZ. It is represented by solicitors.

Respondent Registrant: K. L. Kane of Great Britain.  
No further contact details have been supplied.

Domain Name: peoplesoft.co.uk.

Grounds of Complaint: 1. Blocking Registration  
2. Confusion in the Marketplace  
3. Unfair Disruption of the Complainant's business

Requested Remedy: Transfer of Domain

### **REGISTRATION & SITE HISTORY**

1. On 18 March 1999 the Respondent registered the UK top level domain name PEOPLESOFT.CO.UK (the "Domain Name") via an Internet Service Provider called "Name City" or "Nicnames".
2. The Registration was valid until 17<sup>th</sup> March 2001 when it became due for renewal.
3. The Registrant has not paid these renewal fees (due March 2001).
4. The Complainant's assertion that it visited the Domain Name address in April 2001 and that there was no website linked to the domain name remains unchallenged.
5. For the purposes of this adjudication, it is assumed that no web-site has been linked to this domain name.
6. Various attempts by the Complainant and Nicnames to contact the Respondent have been unsuccessful. The last attempt by Nicnames was made on 22 August 2001 when Nicnames also placed a notice on the Domain Name website address stating:  
"YOUR DOMAIN NAME IS ABOUT TO BE DELETED. PLEASE CHECK THAT PAYMENT HAS BEEN MADE FOR YOUR DOMAIN NAME. IF PAYMENT HAS NOT BEEN MADE YOUR DOMAIN NAME WILL BE DELETED. THIS WILL NOT CANCEL YOUR DEBT TO YOUR DOMAIN NAME SUPPLIER. ONCE DELETED YOUR DOMAIN NAME WILL BE

MADE AVAILABLE TO OTHERS TO REGISTER ON A FIRST-COME, FIRST-SERVED BASIS....."

7. As the Respondent has made no effort to communicate his intention to pay the renewal fees (despite numerous attempts to contact him), Nicnames has detagged the Domain Name. From the date of detagging, e-mail communication via the peoplesoft.co.uk would not have been effective even if it had been effective at an earlier date.
8. Accordingly on 14<sup>th</sup> December 2001, Nominet wrote to the Respondent at the Respondent's last known postal address in Hertfordshire. No reply was made from that address. There is no evidence that the letter was returned as undeliverable.
9. I am forced to reach the conclusion that the Respondent has either:
  - a. not received notification by e-mail and post because the Respondent:
    - i. filed false records at registration; or
    - ii. has deliberately failed to keep his Nominet mailing address records up to date; or
  - b. has received the communication and chosen not to respond.
10. In any event, I am happy that all possible attempts have been made to contact the Registrant to advise about this adjudication.

#### **THE CASE FOR THE COMPLAINANT**

11. The Complainant is the UK subsidiary of Peoplesoft Inc.
12. Peoplesoft Inc. is the parent company of the Complainant and owns various trademarks being:
  - a) UK trade mark registration for PEOPLESOFT (wordmark) in Class 9 (trade mark number 1550704); and
  - b) UK trade mark registration for PEOPLESOFT (wordmark) in Classes 16 and 41 (trade mark number 1563300); and
  - c) UK trade mark registration for PEOPLESOFT (stylised mark) in Class 9 (trade mark number 1588561); and
  - c) European Community Trade Mark (CTM) registration in Class 9 for computer software and computer programmes, (registration number 620799) (figurative).
13. Peoplesoft Inc. applied to register the mark PEOPLESOFT in the UK in 1993 and their first UK Trademark registration dates back to at least 1995.
14. Peoplesoft Inc., and its subsidiaries provide software solutions and related services to the business environment. Peoplesoft Inc. has been trading in the USA since 1987 and claims to be well known in the USA having spent a large amount of money on advertising its services. It has a web-site "www.peoplesoft.com" which has been in operation since December 1993.

15. As a natural extension of their business into new markets, Peoplesoft Inc. established a subsidiary, the Complainant, in the UK in 1993.
16. The Complainant asserts that it conducts business with major companies throughout the UK and actively trades under the name "Peoplesoft" and that through extensive sales, advertising and marketing in the UK the Complainant has acquired a very substantial reputation in the UK, particularly for developing human resources management software.

### **THE CASE FOR THE RESPONDENT**

17. The Respondent has not responded.

### **WAS THIS AN ABUSIVE REGISTRATION?**

18. It is clearly stated in clause 3b of the Dispute Resolution Service Policy that mere lack of use is not in itself evidence of abusive registration.

### **Unfair Disruption of the Complainant's Business:**

19. The Complainant asserts that the Domain Name has been registered primarily for the purpose of unfairly disrupting the business of the Complainant and that this is evidenced by:
  - a. the failure to renew in March 2001, some 8 months after the due date,
  - b. the Respondent's failure to respond to numerous attempts to contact him
  - c. the Complainant inability to discover the necessary details to contact him directly;
  - d. the apparent lack of the Respondents rights in relation to the Domain Name
  - e. lack of response to Nicnames thus allowing them to de-tag the domain. It is alleged that the Respondents inactions thereby slowed down the normal process of expiry and deletion and delayed the de-registration of the domain name when it would then become free for the Complainant to register.
20. Clause 3a)i)c) clearly relates to registration primarily for the purpose of unfairly disrupting the business of the Complainant. There is no evidence that the registration was carried out to disrupt the activities of the Complainant and I am not persuaded that these factors are different to those clearly envisaged under blocking registration.
  - The disruption of business stemming from a blocked registration is clearly covered under clause 3a)i)b).
  - In my opinion the disruption covered under 3a)i)c) is designed to capture active use or abuse of web-sites or associated e-mail addresses and the arguments presented amount to a failure to reply to complaints or renew the domain.
21. Except in exceptional circumstances not present in this case, it is my opinion that these are not valid grounds upon which it is possible to argue that a *disruption* in business has arisen.

### **Confusion in the Market Place**

22. The Complainant also alleges that the Respondent's registration of the Domain Name is causing confusion to website users in that:
  - a. many of the Complainant's customers have visited the Domain Name believing that it is registered to, operated or authorised by, or otherwise connected with the Complainant.
  - b. that when in July 2001, Nicnames placed a notice on the Domain Name site stating that renewal notice has not been paid and may be deleted, customers of the Complainant, who visited this site by mistake, telephoned the Complainant's marketing department to query why the Complainant had not, or could not, pay its bills. This is alleged to have caused unnecessary embarrassment to the Complainant. It is also alleged to be evidence of direct confusion in the Complainant's customer's minds as to the registration, ownership or another connection of the Domain Name.
23. In my opinion, the mere typing of an internet address is not sufficient to establish confusion. Under some caselaw in other jurisdictions, it has previously been determined that an initial confusion doctrine may arise before a domain name is resolved and the web-site displayed to the visitor (pre-display determination). I have never been convinced by this argument. The initial confusion doctrine as applied to pre-display determination is now considered poor-law even in those jurisdictions where favourable rulings have been obtained in the past.
24. The Complainant's evidence is that there has never been a web-site constructed for the peoplesoft.co.uk site by the Respondent. It is difficult to see how a visitor displaying the peoplesoft.co.uk site and seeing either a 404 error message or other message that there is no page available for display or a Nicnames holding pages site could legitimately be described as confused into believing that this was a site connected with the Complainant.
25. In my opinion, where a user finds that there is no page available at peoplesoft.co.uk, then that user will either use a search engine to identify the Complainant's web-site or they will try the domain addresses <http://www.peoplesoft.com> or <http://www.peoplesoft.com/uk> .
26. Therefore I am not convinced that there is sufficient evidence in this case for me to find that there was a confusion simply arising from the Complainant's customers visiting a non-existent web-site.
27. It is then said that when, in July 2001, Nicnames placed a notice on the Domain Name site stating that renewal notice has not been paid and that the domain name may be deleted there was further confusion. It is said that customers of the Complainant who visited this site were confused into believing that the Complainant's had not, or could not pay its bills. I am similarly not convinced that this is a sustainable argument. In any event, I do not consider this actionable under the Dispute Procedure. The requirement under clause 3a)ii) is clearly that "the Respondent is using the domain in a way which has confused people ... into believing that the Domain Name is ...connected with the Complainant".

28. It is my opinion that the majority of internet users may wonder who owns the domain when they see the Nicnames message and that they may go to the free public Nominet whois lookup services. This clearly demonstrates that the Complainant is not the owner of the peoplesoft.co.uk site. I consider that the Internet has developed sufficiently far that the majority of users understand whois procedures. This now occurs in the same way that people dealing with companies know that they can check with Companies House to see where a company is based and what the standing of the company is
29. Where a domain is used in a confusing manner by a Registrant then a confusion complaint may be established but in this case I do not consider that it is appropriate per-se to penalise a domain registrant for the failure of users to carry out whois registration searches or for the actions of a registering or hosting agent.
30. In summary therefore, the actions of Nicnames could not properly be described as an action whereby the Respondent is using the domain. The material on the Domain name holding page was not requested or uploaded to the domain site by the Respondent. Therefore the claim under clause 3a)ii) must also fail.

#### **Blocking Registration**

31. A blocking registration is not clearly defined in the policy. A blocking registration is a registration that is unwarranted at the time of registration. It is a domain registration that is:
  - a) designed to prevent a legitimate owner of rights in a name from registering and using the associated domain name; and
  - b) carried out in circumstances when Respondent is unable to demonstrate a prima-facie right in the name or valid reason to make the registration.A typical example is the registration of the domain name of a parties product by its competitor.
32. It is however my opinion that cyber-squatters are becoming increasingly aware that an attempt to sell, rent or transfer the domain for money may be evidence of bad-faith and therefore that cyber-squatters are simply registering domain names and sitting on them as blocking registrations hoping that a legitimate owner may offer to buy the domain. Therefore I consider that where an allegation of blocking is made, there must be, inter-alia, a consideration of the purposes to which the domain can be put by the Registrant. Any use would also be relevant to consider.
33. The Respondent registered the domain name in question in March 1999 and has not made any use of it. This in itself cannot be deemed to be a blocking registration.
34. In addition, the failure to pay the renewal fees is an additional factor relied upon by the Complainant. This, like a registration, is not evidence, taken alone, of a blocking registration.
35. The Complainant's attempts to contact him, first through Nicnames, his ISP, without success, and then later directly by trying to identify his contact details by carrying out various internet searches and requesting details from Nicnames (as permitted under the case of NORWICH PHARMACAL [1974] AC 133), again

without success, is also relied upon. Mere failure to reply is not, taken alone, evidence of a blocking registration.

36. The above factors are indicative factors but in themselves individually insufficient to be evidence individually of blocking registrations; however I have also taken into account the other factors set out below.
37. For the purposes of this Complaint, the assertion that the Complainant actively trades under the name "Peoplesoft" is not challenged and is therefore accepted by me.
38. I have also considered the fact that:
  - a. at the time of registration, Peoplesoft Inc., held relevant trademarks in the UK which were identical to the domain in question; and
  - b. Peoplesoft Inc., owned the parallel peoplesoft.com domain name; and
  - c. the Complainant operates from the peoplesoft.com website; and
  - d. there is an unchallenged assertion of the extensive sales, advertising and marketing in the UK and creation of a reputation in the UK; and
  - e. The Respondent has not come forwards to provide any legitimate reason for the registration of the domain.
39. I note that section 3a)i)b) defines as abusive any "blocking registration against a name or mark in which the Complainant has Rights". I would normally expect that the Adjudicator would be provided with evidence that the US parent company Peoplesoft Inc has authorised or licensed or assigned to the Complainant, Peoplesoft UK Limited, a right to use the trade mark in the UK and to enforce or co-enforce those trade mark rights.
40. I considered whether to exercise my discretion under clause 13 to request a further statement from the parties providing evidence of the licence or other permission to use the trademark in the UK from the US parent; it must be remembered that the UK and US companies are separate, albeit linked, legal entities.
41. The evidence refers to the peoplesoft.com website. The UK section of this website discloses significant activities in the UK via the Complainant. The peoplesoft.com website is referred to in the evidence. It is clear therefore from an examination of the public UK part of the peoplesoft.com website that the Complainant has acquired a reputation in the UK protected at common law. Normally, in a case of challenged or contrary assertions, I would have exercised that discretion to request the parties to provide any further evidence about licensing of registered trade marks etc and formal filing of prima-facie evidence of advertising and reputation.
42. In this case, however, the fact that the Complainant:
  - a) is a UK subsidiary of the US parent, established by that parent and
  - b) has traded and advertised in the UK sufficiently to establish common law trade mark rightsis sufficient to persuade me that as well as the common law rights that have arisen there is clear use of the trademark by the Complainant in the UK with the consent of Peoplesoft Inc. In this case, the rights protected under passing-off law would

be a sufficient demonstration of rights necessary. The assertion also remains unchallenged.

43. These combinations of facts are sufficient to persuade me that in this particular case the domain was registered as a blocking registration in order to prevent the owners of peoplesoft.com from registering or using the domain name peoplesoft.co.uk or with a view to blocking the domain so that Peoplesoft UK Limited would be forced to try to purchase the domain.
44. Accordingly I find that the domain was therefore a blocking registration.
45. As the site has not been used, no other “unfair use” issues arise to be considered.

#### **SUMMARY OF FINDINGS**

46. I therefore find that the Complainant has failed to establish that there was confusion in the marketplace or that there was unfair disruption of the Complainant’s business; however I find that all the circumstances of the case, when considered as a whole are evidence of the fact that the Registration of the Domain name in dispute was abusive and that the Registrant did carry out a blocking registration.
47. **Accordingly I recommend to Nominet that they grant to the Complainant the remedy sought, namely the transfer of the domain to the Complainant.**

Signed

A handwritten signature in black ink that reads "N. Lockett". The signature is stylized and cursive. To the right of the signature, the word "FACSIMILE" is printed in small, bold, capital letters.

Nick Lockett, Stanbrook.com Technology Law Group (Facsimile signature)  
For digital signature see [cartservr.ppp.com](http://cartservr.ppp.com) (search [nick.lockett@stanbrook.com](mailto:nick.lockett@stanbrook.com))

**Nick Lockett**  
**Solicitor & Adjudicator**  
**[nick.lockett@stanbrook.com](mailto:nick.lockett@stanbrook.com)**