

Nominet UK Dispute Resolution Service

DRS No. 04298

Mattel, Inc. v. Domain Administration Limited

Decision of Independent Expert

1 Parties

Complainant: Mattel, Inc.
Address: 333 Continental Boulevard
M1-0408
El Segundo
California
Postcode: 90245
Country: US

Respondent: Domain Administration Limited
Address: PO Box 37410
Parnell
Auckland
Postcode: 1151
Country: NZ

2 Domain Name

<hotwheel.co.uk> and <hotwheels.co.uk> (the "Domain Names")

3 Procedural Background

- 3.1 The Complaint entered Nominet's system on 13 December 2006. Hard copies of the Complaint were received by Nominet on 15 December 2006. The Complaint was validated and sent to the Respondent. No response was received within the deadline for response of 11 January 2006 and therefore no response was forwarded to the Complainant. Mediation not being possible and the Complainant having paid the relevant fee, the Complaint was referred to me. I confirmed that I was not aware of any reason why I could not act as an Independent Expert in this case and I was appointed as such on 22 January 2006.

4 Outstanding Formal/Procedural Issues (if any)

4.1 None

5 The Facts

5.1 The Complainant is a well-known international toy manufacturer. It is the proprietor of the HOT WHEELS brand which it has traded under during the last four decades, both in the UK and elsewhere, in connection with toy/model cars.

5.2 The Complainant owns and operates domain names such as <HotWheels.com>, <HotWheelsCollectors.com> and <HotWheelsShop.com> where the Complainant provides information, online games and shopping facilities for toy car enthusiasts.

5.3 The Complainant has registered a number of trade marks for "Hot Wheels" (word and figurative marks) around the world, including trade marks with effect in the UK. In support, the Complainant provides print outs from the online trade mark databases of the Office for Harmonization in the Internal Market ("OHIM") and the UK Patent Office.

5.4 According to the WHOIS query in relation to each of the Domain Names, the Respondent is a non-UK corporation with a PO address in Parnell, Auckland, New Zealand. The Respondent registered <hotwheels.co.uk> on 10 June 2004 and <hotwheel.co.uk> on 13 June 2004.

5.5 The Domain Names each pertain to a very similar website. The home pages have the same banner logo in flame colours across the top of the screen showing a picture of a sports car next to the words "Hotwheels.co.uk" or "Hotwheel.co.uk" respectively. Beneath the logo the screens have various links to third party websites and search functions along a car or game theme (for example: "rental cars", "used cars", "cheap car insurance", "games" and "play games").

6 The Parties' Contentions

Complainant

6.1 The Complainant seeks transfer of the registration of each of the Domain Names into its name on the grounds that it is similar to a name or mark in which the Complainant has Rights and that the registration of that Domain Name in the name of the Respondent is an Abusive Registration.

6.2 The Complainant refers to two further Nominet proceedings it is currently bringing: firstly, a complaint reliant upon different rights but against the same Respondent (Domain Administration Limited) in relation to <fisherprice.co.uk>; and, secondly, a

complaint reliant upon the same rights but against a different respondent, Chao Investments Limited, in relation to <hotwheels.co.uk>.

- 6.3 The Complainant alleges that Chao Investments owns over 2,500 .co.uk domains, many of which appear to infringe the rights of third parties, and all of which are registered to the same address and PO Box number as Domain Administration Limited. From this the Complainant invites a conclusion that Chao Investments and the Respondent are linked, although it acknowledges that it has no firm proof of this and cites this as the reason it has chosen to bring separate proceedings in relation to <hotwheels.co.uk>.
- 6.4 The Complainant points to its use of the HOT WHEELS brand and to that brand's international reputation as evidencing its unregistered rights in the "Hot Wheels" name. It also points to its portfolio of registered trade mark registrations for "Hot Wheels" as evidence of its registered rights. The Complainant asserts that each of the Domain Names, <hotwheel.co.uk> and <hotweels.co.uk>, is confusingly similar to its "Hot Wheels" name; each Domain Name differing from the name by merely one letter. Further, the Complainant contends that "considering these two [Domain Names] in combination makes the Respondent's intentions abundantly clear".
- 6.5 The Complainant contends in relation to each of the Domain Names that the Respondent's registration is abusive and that the Domain Name should be transferred to the Complainant. In particular, the Complainant makes the following assertions:
- The Respondent's use of the Domain Names falls under paragraph 3(a)(i)(C) of the Nominet Dispute Resolution Service Policy (the "Policy") in that such use unfairly disrupts the business of the Complainant. The websites at each of the Domain Names provide a large number of click-through links some of which are links to websites operated by third parties and selling goods which compete with the Complainant's goods. In addition, the Complainant cites two links to gambling and drug related websites as being of particular concern because they risk damaging the reputation of the HOT WHEELS brand by association.
 - The Respondent's use of the Domain Names falls under paragraph 3(a)(ii) of the Policy in that such use is designed to confuse people into believing that the Domain Names were registered to, or otherwise associated with, the Complainant. The Complainant again points to the click-through links from the websites at the Domain Names and the fact that these are to pages which concern competing products or products in a business area related to the Complainant's. Further, some of the links reinforce an association with the Complainant by using the words "Hot Wheels" in some form or other. For example, at <hotwheel.co.uk> there are links titled "HotWheel" and "HotWheel Toy" and at <hotweels.co.uk> there are links titled "Hot Weels" and "Hot Weels

Games". Upon clicking through such a link the majority of sites brought up are not connected to the Complainant and of those which are the internet user has been directed to them via a series of sponsored links. The Complainant contends that the Respondent is therefore using the Domain Names "so as to benefit, or attempt to benefit, from the Domain Names' close association with, i.e. a misspelling of, the Complainant's Rights".

- The Respondent's use of the Domain Names falls under paragraph 3(a)(iii) of the Policy because the Respondent is engaged in a pattern of registration of domain names, such as the Domain Names, which correspond to well known names or trade marks in which the Respondent has no apparent rights. The Complainant provides a list of the Respondent's <.co.uk> domain names, highlighting by way of example: essexpolice.org.uk, continentalairline.co.uk, debnahms.co.uk, souther-electric.co.uk, egginsurence.co.uk and capitalonemortgages.co.uk. The Complainant also provides screen captures of the websites currently operating at each of these examples. The Complainant also submits that its lawyers have conducted a search of the UK and Community trade mark registries and can confirm that the Respondent has no registered rights to these names.

Respondent

6.6 The Respondent served no Response in these proceedings.

7 Discussion and Findings:

General

7.1 To succeed under the Policy, the Complainant must prove on the balance of probabilities and in relation to each of the Domain Names: first, that it has Rights in respect of a "name or mark" that is identical or similar to the Domain Name (paragraphs 2(a)(i) of the Policy); and, secondly, that the Domain Name is an Abusive Registration in the hands of the Respondent (paragraph 2(a)(ii) of the Policy).

7.2 Abusive Registration is defined in paragraph 1 of the Policy in the following terms:

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.*

Complainant's Rights

- 7.3 I am satisfied on the evidence that the Complainant owns various trade mark registrations including several for the word mark "Hot Wheels". For instance, the Complainant owns a currently subsisting UK trade mark for the word mark HOT WHEELS, filed in November 1967, in class 28 (toys and playthings having wheels) (No.917434).
- 7.4 For the purposes of determining whether "Hot Wheels" is identical or similar to each of the Domain Names, the <.co.uk> suffixes can be discounted as can the space between the two words "Hot" and "Wheels" in the Complainant's mark (spaces cannot be used in domain names). Therefore, "Hot Wheels" differs from the relevant parts of each of the two Domain Names by just one letter: in the case of "HotWheel", the letter "s"; and in the case of "HotWeels", the letter "h". The missing "h" does nothing to differentiate the <hotweels.co.uk> Domain Name phonetically from the Complainant's HOT WHEELS mark and common sense would dictate that it would be an obvious misspelling/mistyping of the Complainant's name. Similarly, the missing final letter "s" from the <hotwheel.co.uk> Domain Name does not change the core of the Complainant's HOT WHEELS mark and again this would be a common misspelling/mistyping or abbreviation of the Complainant's name.
- 7.5 In conclusion, I have little difficulty in finding that the HOT WHEELS mark is similar to both of the Domain Names and that the Complainant has made out paragraph 2(a)(i) of the Policy.

Abusive Registration

- 7.6 Before getting into a detailed analysis on the application of the Policy, it is appropriate to first consider a question of fact. That is, the reasons why the Respondent registered and uses the Domain Names.
- 7.7 The Respondent acquired the Domain Names in June 2004. There is no evidence that the Domain Names have any particular significance to the Respondent. Certainly there is no indication that the Respondent has been commonly known by a name or legitimately connected with a mark which is identical or similar to either Domain Name.
- 7.8 However, the Respondent's motivations become reasonably clear once one views the website that the Respondent operates from the Domain Names. The website, primarily comprises a number of links under the heading "sponsored listings" to commercial websites. It is in a form that is not uncommon and what one would typically expect of a

website that has been set up to obtain revenue (i.e. click-through commissions) for its owner by directing internet users to those commercial websites. In this case the Complainant expressly alleges that it was for this purpose and use that the Domain Names were registered and that the Respondent is generally in the business of what is sometimes called “domain name monetisation”. I have no difficulty in concluding as a matter of fact that this is correct.

7.9 However, it does not follow from this conclusion that the registrations are necessarily abusive. The sale of internet traffic and domain name monetisation is not per se abusive. Something more is required. Ordinarily, a complainant must also show that the registrant was aware of the complainant reputation in the name used in the domain name and the domain was chosen with this in mind.

7.10 Particularly useful here are the comments of the Appeal Panel in Case 03316. This case concerned the domain name <bounce.co.uk>. The complainant was The Procter and Gamble Company. It was found to have significant rights in the BOUNCE brand which was “already a very well known name at least in so far as fabric softeners are concerned as at the date of registration of [<bounce.co.uk>]”. The Respondent was registrant of thousands of domain names including <conservativeparty.co.uk>, <derbycountyfc.co.uk> and <wimpy.co.uk>.

7.11 In paragraphs 8.3.7 to 8.3.11 of the decision, the Panel stated as follows:

“While there may be rare circumstances where a finding of Abusive Registration is justified even though the registrant is unaware of the Complainant’s name and/or rights at the relevant time, this is not such a case. For the Complaint to succeed, the available evidence must suggest that at the relevant time the Respondent knew perfectly well that BOUNCE was a brand belonging to someone else and that its use in the manner made of it by the Respondent would be likely to attract Internet users to the Respondent’s site believing that they were visiting a site associated with the brand owner.

This is far from a clear cut case and one with which the Panel has had some difficulty, but on balance the Panel believes that the registration should be treated as abusive. The difficulty stems from the fact that the word ‘bounce’ is an ordinary dictionary word, a word, which anyone might have registered for a host of different, but justifiable, reasons. The mere fact that a generic word happens also to be a trade mark cannot lead to the trade mark owner monopolising all uses of the word. Certainly for the purposes of complaints under the DRS Policy there has to be something more.

In this case what there is in addition is the following:

(1) the fact that the Respondent has amongst his portfolio of domain names a number of names featuring the well-known trade marks of others – he therefore has a track record of hijacking other people's names.

(2) for the reasons described earlier in this decision the Panel is satisfied that by the date of the registration of the Domain Name the BOUNCE brand was very well-known at least in its niche market.

(3) the Complainant expressly alleges in the Complaint that the degree of fame of the BOUNCE brand was such that the Respondent "must have been aware that the name Bounce denoted [the Complainant's] products and trade marks". There is no admissible challenge to that allegation.

(4) no explanation is given by the Respondent as to why he selected the name BOUNCE. Even where a generic word has been chosen for registration there is usually a reason why that generic name rather than some other generic word has been chosen. If, for example, the Respondent's evidence had been to the effect that he had registered other similar names such as 'hop', 'skip' or 'jump', the registration of "bounce" would have been more readily understandable. However, no such evidence or explanation is offered in this case.

(5) the website to which the Respondent has linked the Domain Name has no connection with the word BOUNCE.

(6) the Respondent selected as a registration address an address consisting of little more than a PO Box number in the Caribbean in circumstances where (for the reasons set out in greater detail in section 5 above) he should have been fully aware of the importance of providing readily accessible addresses for the Whois database and an address, which he acknowledges is likely to be susceptible to extensive postal delays. It is well-known to the members of this Panel that 'cybersquatters' commonly adopt remote addresses for the Whois database so that it is difficult for potential complainants to track them down. In this case (and as is described in detail in section 3 of this decision) the data that Nominet had for the Respondent also included an address in Yorkshire. However, this is data that was not available in the publicly accessible Whois database, where the only contact details provided were the Respondent's Turks and Caicos address. This is perhaps by itself not the most compelling of factors, but absent an explanation from the Respondent as to why such a Turks and Caicos address was chosen, it is a factor that tells in the Complainant's favour.

In sum, the Panel concludes on the balance of probabilities that when the Respondent registered the Domain Name he knew that it was a brand name and registered it for that very reason.

As a brand name the name BOUNCE is desirable from the Respondent's point of view. It is liable to attract Internet users to his directory website, being Internet users expecting to visit a site concerned with the Complainant's brand, and thereby resulting in business opportunities of one kind or another for the Respondent. In so using it he causes deception.

The Panel finds on the balance of probabilities that the Domain Name was registered in a manner which, at the time the registration took place, took unfair advantage of or was unfairly detrimental to the Complainant's rights and that the Domain Name has been used in a manner which has taken unfair advantage of the Complainant's rights."

7.12 Here, the Complainant is the proprietor of the HOT WHEELS brand. The Complainant submits that this brand was first used in 1968 and is very well known in relation to toy automobiles and model cars generally. Unfortunately, these assertions are not backed up by any supporting evidence in the Complaint (no details of sales or the brand and advertising and marketing expenditure are provided). Therefore, I am unable to conclude that HOT WHEELS is a brand with the same degree of fame as BOUNCE. However, I am prepared to accept, in the absence of any contrary assertion by the Respondent, that HOT WHEELS is a brand which has, and had at the time the Domain Names were registered, a significant reputation in connection with model/toy cars. This is something I take into account when considering whether the Respondent was aware of this brand at the time the Domain Names were registered.

7.13 Of course, like BOUNCE, HOT WHEELS has a potential generic meaning. It is a simple combination of two generic words: - the noun "wheels" and the adjective "hot". The mere combination of these words does not seem particularly distinctive. Indeed, it does not require too much imagination to envisage the words being used in colloquial conversation to describe desirable or popular automotive products.

7.14 Looking at the Respondent's website there are indeed links to car related products and services which raises the possibility that the Respondent chose the Domain Name with that meaning, and not the Complainant, in mind.

7.15 However, there are many more factors which point to precisely the opposite conclusion. It is for example telling that certain of the click-through links from the web sites at the Domain Names pertain to websites for the same type of goods as the Complainant's. Indeed, some of the links have titles specific to toys or games ("HotWheel Toy" and "Hot Weels Games" for example).

7.16 Even more persuasively, the Respondent has also registered <fisherprice.co.uk> and FISHER PRICE is a highly distinctive brand name belonging to the Complainant. This domain, as I have already described above, is subject to separate proceedings. It is for the expert in that case, not me, to decide whether that registration is abusive. However, in the absence of any Response this registration strikes me as a clear indication that the Complainant knew of the Complainant and its products and brands and had this in mind when it registered the Domain Names and when it tailored them for their current use.

7.17 Further the Complainant has provided a list of the Respondent's <.co.uk> domain names. There are some 160 in total, a striking proportion of which correspond to famous brands. Some correspond to brands which might be said to be capable of some generic meaning but others correspond to highly distinctive brands. Further there are multiple series of domain names whose only intrinsic value resides in the fact that they are mistyping's of famous brands. There is also a significant emphasis on toy brands and brands with some particular interest to children.

7.18 Examples include:

- the series <debnahms.co.uk>, <denehams co.uk> and <debamhams co.uk>, corresponding to the famous DEBENHAMS department store brand;
- the series <disnychanle.co.uk> and <dosneychanel.co.uk>, corresponding to the famous DISNEY CHANNEL brand; and
- the series <furbies.co.uk>, <furbiestar.co.uk>, <furbiestars.co.uk>, <furbystar.co.uk>, <furbystars.co.uk>, <farbystar.co.uk>, <firbystar.co.uk>, <frubystar.co.uk>, <fuby.co.uk>, <fubystar.co.uk>, <furbbystar.co.uk>, <furbeystar.co.uk>, <furbeystar.co.uk>, <furbysta.co.uk>, <furrby.co.uk>, <furrbystar.co.uk> all of which appear to correspond to the famous FURBY toy brand owned by Hasbro, Inc.

7.19 The Respondent's portfolio therefore suggests that the Respondent has deliberately embarked upon a strategy of selecting domain names which piggy-back off the goodwill a brand owner has generated in its brand in order to generate higher click-through income.

7.20 There is additionally the Respondent's PO Box address in New Zealand. As the Complainant points out, this PO Box number address is the same as that for Chao Investments, the registrant of <hotwheels.co.uk>. Absent a Response, I find that on the balance of probabilities that there is sufficient commercial link between these two entities (if they are indeed separate entities) that they can be treated as one for the purpose of these proceedings. The Respondent has, therefore, been shown to be

responsible for three domain names, one corresponding exactly to, and two representing mistyping's of the Complainant's HOT WHEELS brand.

7.21 As the Appeal Panel in the Bounce decision stated, *"even where a generic word has been chosen for registration there is usually a reason why that generic name rather than some other generic word has been chosen"*. In this case the Respondent (and Chao Investments) have registered not just one but three domain names all based upon "Hot Wheels". There is no explanation why this is so. The Respondent's portfolio certainly does not indicate a selection criteria based upon the generic meaning of domain names generally or of the Domain Names in particular. There are some domain names with a car theme (two permutations of <fordusedcar.co.uk>, three of <essexcarcentre.co.uk> and a <usedcarroadshow.co.uk>). However, there is nothing similar in type to "Hot Wheels" that might suggest an innocent explanation as to why three Domain Names based on that name were worth registering whereas other similar generic names were not.

7.22 For all the above reasons, I am satisfied that it is highly likely when the Respondent registered the Domain Names it knew that they corresponded to the Complainant's brand name and registered them for that very reason with a view to attracting internet users to the Respondent's websites in order to generate greater click-through income. Such activity takes unfair advantage of the Complainant's rights and it is a clear example of Abusive Registration under the Policy.

7.23 Therefore, for all the above reasons, I find that the Complainant has made out paragraph 2(a)(ii) of the Policy.

The link between the Respondent and other persons

7.24 I have recently become aware of the following four cases: Cases 04253 and 04219 where the respondent was Chao Investments Limited and Cases 04245 and 04229 where the respondent was Domain Administration Limited. In each case the domain name at issue was transferred to the complainant. The decisions in these cases are dated between 4 and 14 January 2007 and therefore postdate the Complaint.

7.25 In each of these four cases no response was received and the domain names in question all appear to have been used in a similar manner to the Domain Names. What is even more striking however is the link which these cases indicate exists between the Respondent, Chao Investments Limited and an individual, Kwan Jin:

- In Cases 04253 and 04219, the panels note that Chao Investments' New Zealand PO Box address is the same as that used by a Kwan Jin, who was the respondent in a further case, Case 3894.

- In Case 04229, the panel states as “fact” that the domain name in dispute was registered by Kwan Jin with an address at Domain Administration Limited, PO Box 37410, Auckland, 1033, NZ on 17 March 2004 and is presently registered in the name of the respondent, Domain Administration Limited. The panel states “there is clearly a close connection between the Respondent [Domain Administration Limited] and the original registrant Kwan Jin”.
- From these cases it also emerges that Kwan Jin has been found to have made Abusive Registrations in at least six other Cases. In case no. 03931 (9 October 2006), 03894 (24 September 2006), 03700 (12 July 2006), 03305 (26 March 2006), 02850 (25 October 2005), 02181 (14 January 2005). In Case 03700 the expert was in no doubt that the provisions of Paragraph 3 (c) of the DRS Policy should apply in any future case brought against Kwan Jin within the relevant period.
- Furthermore, Kwan Jin is included five times in Nominet’s online “table of cases in which the respondent is or may be a party found to have made an Abusive Registration in 3 or more Dispute Resolution Service Cases”.

7.26 The evidence therefore suggests that Chao Investments, Kwan Jin and Domain Investments Limited are all connected, if not the same person. If this is so, it would appear that this case could also have been decided against the Respondent on the basis of the “three strikes rule” set out in paragraph 3(c) of the Policy. However, since this has not been raised by the Complainant or put to the Respondent, and given my findings above, it has not been necessary to decide this case on that basis.

Further comments on the Bounce decision

7.27 I have in this decision in large part relied upon and followed the reasoning of Appeal Panel in Bounce. Given this, it is necessary briefly to comment upon the paragraph (and in particular its final line) which forms part of a notice inserted by Nominet at the top of the Bounce decision. This reads as follows:

“It is only fair to Mr Toth [the Respondent] to point out that the Experts did not have the opportunity (for whatever reason) of seeing evidence in a Response from him - either on the topic of whether the domain name was generic or descriptive; or on his reasons for registration and later use. Those wishing to rely on these decisions in future are reminded that their value may therefore be limited.” (emphasis added)

7.28 The history of that notice is bound up in the procedural complexities of the Bounce case. In a nutshell, Mr Toth did not submit a Response nor following discussions with

Nominet did he put in a non-standard submission. After the first instance decision had been decided against him, he appealed that decision and he made various submissions in his Appeal Notice. Those submissions contained limited submissions of fact. An Appeal Panel should not normally take new evidence contained in an Appeal Notice into consideration, and facts the Appeal Panel in Bounce declined to take those submissions of fact into account. Mr Toth complained to Nominet that Nominet had dissuaded him from putting in a fully evidenced Response. Nominet accepted that its customer service in that case had fallen short and accordingly the notice was inserted into the Bounce decision.

7.29 Against this background, the meaning of the sentence from the notice which is highlighted above becomes clear. Its intention is merely to flag to readers that Nominet's actions may in part explain why Mr Toth failed to put a detailed response forward in that case. The Appeal Panel's findings of fact in that case so far as Mr Toth is concerned therefore need to be read with this in mind. However, the notice was not intended by Nominet to cast any doubt upon the correctness of the reasoning that the Appeal Panel employed in this case.

8 Decision

8.1 I find that the Complainant has Rights in the HOT WHEELS mark, which is identical or similar to each of the Domain Names, and that each of the Domain Names, in the hands of the Respondent, is an Abusive Registration.

8.2 I therefore determine that both Domain Names should be transferred to the Complainant.

Matthew Harris

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2nd February 2007