

DISPUTE RESOLUTION SERVICE

D00012782

Decision of Independent Expert

EPI GESTION, S.L.

and

Mr Sean Gerrity

1. The Parties:

Lead Complainant: EPI GESTION, S.L.
Saturnino Calleja, 16
MADRID
28002
Spain

Respondent: Mr Sean Gerrity
7 Mountsorrel Lane
Sileby
Loughboro
Leics
LE12 7NF
United Kingdom

2. The Domain Name(s):

sandossanblas.co.uk

3. Procedural History:

I can confirm that I am independent of each of the parties. To the best of my knowledge and belief, there are no facts or circumstances, past or present, or that could arise in the foreseeable future, that need be disclosed as they might be of a such a nature as to call in to question my independence in the eyes of one or both of the parties.

30 April 2013 15:36 Dispute received
01 May 2013 10:02 Complaint validated
01 May 2013 10:16 Notification of complaint sent to parties
21 May 2013 02:30 Response reminder sent
23 May 2013 15:51 Response received
23 May 2013 16:18 Notification of response sent to parties
29 May 2013 02:30 Reply reminder sent
31 May 2013 10:36 Reply received
03 June 2013 08:24 Notification of reply sent to parties
03 June 2013 08:25 Mediator appointed
06 June 2013 10:25 Mediation started
16 July 2013 17:22 Mediation failed
16 July 2013 17:22 Close of mediation documents sent
22 July 2013 10:22 Expert decision payment received

4. Factual Background

4.1 The complainant is a Spanish company in charge of managing the SANDOS and MARCONFORT chains of hotels and apartments. It is the owner of a number of trade mark registrations across the world for the mark SANDOS for hotels and resorts. These registrations include Community registration number 2 430 056 applied for in 2001 and granted in 2004 for a stylised form of the words “SANDOS Hotels & Resorts”, the key distinctive feature of which appears to be the word SANDOS. The word SANDOS has no meaning in the English language.

4.2 The complainant says and the respondent does not dispute that it has a worldwide reputation for the quality and exclusivity of its services and that it has resorts in Spain and Mexico. These resorts have won a number of industry awards including the Golden Apple award given by Apple vacations and The Travelife Gold Award.

4.3 Amongst the hotels operated by the complainant is one near the village of San Blas on Tenerife. The hotel takes its name from the village and is called the Sandos San Blas hotel.

4.4 The respondent, Mr Gerrity, is a non-trading individual who has opted to have his address kept off the Nominet register. Despite this, in his response to the complaint, the respondent explains that the domain sandossanblas.co.uk (the Disputed Domain) was purchase for and on behalf of We are Holidays Limited, a holiday company of which he is part. The respondent explains that this company has numerous hotel domain names which it has registered. The domain names are registered as a marketing aid to increase sales to the hotels that the company promotes. For each hotel the company creates a template page for the domain of the kind which would appear in the company’s brochure or on a multi-destinational site such as Travel Republic. The only difference is that the company’s webpage offers the client more information. It is plain from this that the respondent registered the Disputed Domain with knowledge of the existence of the complainant.

4.5 Somewhat curiously in the light of the facts recorded in the previous paragraph the response ends with the following statement:

The complainant has concentrated a lot of their attention on Sean Gerrity the sole trader with no connection to the holiday company. This is yet another false statement. However, it may be that because the name has been registered to Sean Gerrity in error instead of "We are Holidays"; we may incur difficulties in defending ourselves. Obviously I sincerely hope not and trust our defence showing the connection between Sean Gerrity and We are Holidays Ltd. will be adequate in proving the required connection. In the event that we should come across a situation like this again in the future, any domains not in the name of We are Holidays have or are in the process of being correctly transferred.

It is consequently unclear what, if any, relationship the respondent asserts exists between him and We are Holidays Limited or why the Disputed Domain was registered in his name as a non-trading individual. This lack of clarity needs to be borne in mind in assessing any claims that the respondent makes about the reasons for registering the Disputed Domain and the use which has been made of it.

4.6 The respondent's webpage hosted on the Disputed Domain contains a promotional page for the Sandos San Blas hotel. It is a professionally presented page with a detailed description of the facilities offered by the hotel which has an apparently fully functional telephone booking line with the number 08000 093 094 and an online chat service.

4.7 In the light of the respondent's explanation that he (or We are Holidays) has a substantial number of domains registered with the names of well-known hotels, it is perhaps unsurprising that the complainant has ascertained that the respondent appears to be the proprietor of or connected with a very large number of domain registrations in the names of well-known hotels. The complainant has carried out a search on the booking line telephone number on the respondent's webpage which returns 896 sites. All of these start with a link having the rubric "You can request a callback about the [hotel name] by ...". They all appear to give the email address sales@weareholidays.biz. In conjunction with this search the complainant has produced WHOIS search results for five of the results all of which show Sean Gerrity as the registrant. In the case of the four .co.uk registrations Mr Gerrity is listed in each case as a non-trading individual who has withheld his address. The respondent does not challenge any of this information in the response.

4.8 It is equally unsurprising in the light of the foregoing that the respondent (i.e. Mr Gerrity) has been the subject of a series of WIPO and DRS complaints and decisions about such domain registrations. The complainant identifies the following cases:

WIPO D2009-0277	sheratondeirahotelandtowers.com
	sheratonjumeirahbeachresort.com
WIPO D2008-0777	bahiaprincipesanfelipecom
Nominet DRS 08358	granbahiaprincipesamana.co.uk

Nominet DRS 08935
Nominet DRS 05902

bahiaprincipeambar.co.uk
granbahiaprincipetulum.co.uk
granbahiaprincipeamnar.co.uk
lemeridiandubai.co.uk
bahiaprincipe.co.uk

In all of these cases the domain registration was found to be abusive and transferred. The respondent's response to the list is that the company "had an issue some years ago with the name bahiaprincipe" which it attempted to defend but, being naïve and not understanding the system, made a number of errors in its defence. In this context it should be noted that the complaints about this name in the list above in fact took place over period of nearly two years from 2008 to 2010. One might have expected any initial naivety on the respondent's part to have been eliminated during this time and with the experience of defending the earlier claims. The respondent says that there were a couple of others which he did not bother to defend as the company was happy to pass them on. The decision in DRS 08935 (which I made) is one of these. He also says that having looked online there is at least one he does not know anything about. There being no accompanying explanation of this claim it is impossible to know what it is the respondent claims he knows nothing about. The respondent does not suggest that there have been any domain name complaints which have been resolved in his favour.

4.8 The complainant says that the respondent has no authorisation to use the Sandos name and no connection with its hotel. In the response, the respondent asserts that this is wrong. He says has had a direct commercial relationship with the hotel, has been a guest there and has flown two members of staff out to the hotel to stay there. He says that he finds particularly alarming the false claim that he has never seen the complainant's hotel and that it knows nothing of him.

4.9 The complainant has produced a substantial quantity of material in the reply in response to these claims. First it points out that the complaint did not say that he has never seen its hotel and that it knows nothing of him. It says that in fact Mr Gerrity has been to the Sandos San Blas hotel, apparently representing a company called Clear Blue Seas. He did endeavour to obtain an agreement to offer the complainant's booking services. The hotel management gave Mr Gerrity a rate table and agreed to receive bookings through Clear Blue Seas (as they do with many other companies). However, the bookings which were received through Clear Blue Seas were not paid for, there is an outstanding debt and Clear Blue Seas has gone into liquidation. Further, Clear Blue Seas is the subject of a large number of scamming complaints by customers and a warning on Tripadvisor not to use it because it is a fraudulent operator which takes money from customers and does not pass it on to the hotels.

4.10 The complainant has also established that Mr Gerrity is connected with a number of other holiday companies which have been dissolved or gone into liquidation. These include Scandanavian Holidays Limited and Beach Holidays Limited. The complainant has also directed me to a thread on Tripadvisor which contains a series of complaints from customers about bookings placed by We are Holidays for which money has been taken and either no booking has been made or

a booking for too short a period even though the full cost has been charged to the customer.

4.11 The respondent has not sought to respond to the material in the reply about his apparently fraudulent activities. These allegations are sufficiently serious that one would have expected him to respond if there was anything he could realistically put forward to draw their sting.

5. Parties' Contentions

5.1 The complainant asserts that the Dispute Domain is abusive because it is being used deceptively and misleadingly to connote a connection between the respondent and the complainant. In response the respondent asserts that "it is very clear on the site that we are a holiday company and not the hotel".

5.2 The complainant also says that the Disputed Domain will divert business from it to other hotels because of the references to other hotels on the website on the Disputed Domain. The complainant says that this will also lead to dilution of the complainant's trade mark. The respondent's response is as above.

5.3 The complainant says that commercial use of the Disputed Domain by a registrant who is said to be a non-trading individual is demonstrative of bad faith. The respondent makes no direct response to this allegation. In particular, as noted above, there is no coherent explanation why the Disputed Domain is registered in Mr Gerrity's name when it appears to be being used by a company with which Mr Gerrity may or may not be connected.

5.4 Finally, the complainant says that the history of the respondent's registrations and the adverse domain name decisions against him means that the Disputed Domain is part of a pattern of abusive registrations. The respondent's response to this is contained in the material summarised in paragraphs 4.4 and 4.5 above.

6. Discussion and Findings

6.1 The version of the DRS Policy relevant to the present dispute is version 3 which relates to complaints lodged after 29 July 2008. Paragraph 1 of that policy defines an 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 has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights"

6.2 Paragraph 1 of the DRS Policy also defines "Rights" for the purposes of this procedure as including but not limited to those enforceable under English law. Under Paragraph 2 of the DRS Policy a complainant must show on the balance of probabilities

- (a) that it has Rights in a name or mark identical or similar to the Domain Name; and

(b) that the Domain Name in the hands of the Respondent is an Abusive Registration.

6.3 Paragraph 3 of the DRS Policy identifies a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. The relevant factors for the purposes of the present case are

“(a)i. Circumstances indicating that the Respondent has registered or otherwise acquired the Domain Name primarily:

A. 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;

C. for the purpose of unfairly disrupting the Business of the Complainant;

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

iii. The Complainant can demonstrate that the Respondent is engaged in a pattern of registrations where the Respondent is the registrant (under .uk or otherwise) which correspond to well known names or trade marks in which the Respondent has no apparent rights and the Domain Name is part of that pattern;

(iv) It is independently verified that the Respondent has given false contact details to us.”

The remaining factors are not relevant in the present case. I have accordingly taken the above factors into account in reaching my conclusions.

6.4 Clause 4 of the DRS Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is not an Abusive Registration. These include the following which are relevant to the present case:

“(a)i. Before being aware of the Complainant’s cause for complaint (not necessarily the ‘complaint’ under the DRS) the Respondent has:

A. used or made demonstrable preparations to use the Domain Name or a domain name which is similar to the Domain Name in connection with a genuine offering of goods or services;

B. been commercially known by the name or legitimately connected with a mark which is identical or similar to the Domain Name;

...

6.5 According to the Appeal Panel decision in the Seiko case (DRS 00248) whether a registration is an abusive registration under the DRS Policy is independent of whether a domain name registration is an infringement of trade mark and should be decided under the terms of the DRS Policy alone. The same decision also makes clear, however, that the Policy is founded on the principle of intellectual property rights which should be taken into account.

6.6 The first question in any DRS complaint is whether the complainant has Rights. This, as has been said in many cases, is a low threshold test. As the proprietor of trade mark registrations which include the word SANDOS as their key distinctive element and the operator of a chain of hotels and resorts under that name, there is no doubt that the complainant has satisfied the requirement of demonstrating that it has Rights.

6.7 The question arises in this case whether the Disputed Domain is identical or similar to the name in which the complainant has rights. As the complainant has demonstrated, the name San Blas is a geographical designation giving the location of a Sandos branded hotel. Not only is this not disputed by the respondent, the respondent uses the designation in precisely that way on his website at the Disputed Domain. Accordingly, it is clear that the complainant has rights in a name which is similar to the Disputed Domain.

6.8 There is no doubt that the respondent was aware of the complainant and its rights when he registered the Disputed Domain. He has used it to create a website promoting the complainant's Sandos Hotel at San Blas on Tenerife. There is equally no doubt (or the company We are Holidays) is using the Disputed Domain to promote the booking of hotel services. The website offers a direct booking line for the complainant's hotel. In my view there can be no doubt that this is likely to confuse members of the public into using the respondent's website in the belief that it is connected with the complainant. The respondent says that he is doing no more than any travel company but I do not agree. It is simply not the case that the respondent's website looks like a page from an independent brochure or travel agent promoting the complainant's hotel. It looks like a webpage put out by the hotel itself. Those who know will work out that the other hotels promoted in a box on the right hand side of the page are not connected to the complainant but those who do not are likely to assume that these are all related businesses. The respondent's website offers the services of the Sandos San Blas hotel in a way which appears to be sponsored or linked to the hotel itself rather than simply the offering of an independent agent.

6.9 It may be that when a potential customer contacts the telephone number or opens up an online chat, it becomes clearer that the operator of the website is We are Holidays. But, even if this is the case, the initial confusion has already occurred. The reality is that someone who is confused by the appearance of the respondent's website would not have made further contact but for the confusion. That there will be some who are so confused is inevitable. In addition, a visitor to the respondent's website who is diverted by the promotion of competing hotels to one of those hotels is a potential customer lost by the complainant. This is pure bait and switch and is a direct cause of loss resulting from confusion.

6.10 In these circumstances I have reached the conclusion that the respondent is using the Disputed Domain in a manner which has confused or is likely to confuse members of the public into thinking that it is connected or associated with the complainant. Accordingly, the complainant's complaint under paragraph 3(a)(ii) of the DRS Policy is made out.

6.11 The evidence of a pattern of registrations by the respondent of well known hotel names in which the respondent has no rights is equally clearly made out. It

is plain that the respondent is connected with or the registrant of hundreds of such domains. It is plain that all are used to promote the taking of bookings for hotels. It is probable that many if not all are as confusing in appearance as the website hosted at the Disputed Domain leading the public to think that they are operated by or associated with the hotels that they promote. Consequently the complainant's complaint under paragraph 3(a)(iii) is also made out.

6.12 I would reach the previous findings without reference to the fraudulent nature of the business carried on by the respondent or companies with which he is clearly associated. However, the fact that there is uncontroverted evidence that he is using the Disputed Domain and many other similar sites to defraud hotels and their guests serves to reinforce my conclusions that the respondent's activities under the Disputed Domain are plainly abusive. Whether or not such conduct is one of the specific examples of activities prohibited by paragraphs of the DRS Policy, this is the kind of conduct which is abusive and should be stopped.

6.13 The complainant also asks me to find that the respondent is guilty of bad faith by analogy with the specific bar on giving false contact details to Nominet. In support of this complaint it has cited a number of previous DRS decisions in which experts have considered that registration by an apparently non-trading individual of a commercial domain is being used for the purposes of concealment and avoidance of detection. None of the cited decisions appears from the citations to determine that such conduct amounts to a breach of paragraph 3(a)(iv) of the DRS Policy. In my view it is not.

6.14 I agree that the registration in the name of an allegedly non-trading individual when a domain is used commercially is misleading. Indeed, the passage from the response I have quoted in paragraph 4.5 above seems to come close to admitting that this is so and asserts that the name of the registrant of these domains is being changed. Despite this, however, I do not think that such conduct amounts to the giving of false contact details. It does not. It merely means that the true contact details are not published.

6.15 Is such conduct nevertheless evidence of bad faith which renders the registration of the Disputed Domain abusive? I do not believe what the respondent says in the passage quoted in paragraph 4.5 above. There is no basis for the claim that many domains registered in Mr Gerrity's name were so registered in error. I think it is much more likely that they were registered in his name so that he could liquidate companies through which he is operating when the debts begin to pile up without losing the domain registrations. Thus, he can move the business to another corporate vehicle using the same domains and carry on. That lends powerful support to the conclusion that his activities are essentially fraudulent. It seems to me that a domain registered for the purpose of conducting a fraudulent business is a domain registered in bad faith.

6.16 As the purpose of the bad faith registration is to take unfair advantage of the trade marks which form the domain registrations, it seems to me to follow that such registrations are abusive within the general definition in paragraph 1 of the DRS Policy. Accordingly, I find that the Disputed Domain is abusive on this ground also.

7. Decision

7.1 I direct that the Disputed Domain sandossanblas.co.uk be transferred to the complainant.

Signed: Michael Silverleaf

Dated 14 August 2013