

DISPUTE RESOLUTION SERVICE

D00015217

Decision of Independent Expert

Cardiff Bay Leisure Limited

and

Mr Ryan Hopkins

1. The Parties:

Lead Complainant: Cardiff Bay Leisure Limited
Penarth Quays Marina
Penarth
Vale of Glamorgan
CF64 1TQ
United Kingdom

Respondent: Mr Ryan Hopkins
97 Channel View Road
Cardiff
CF11 7HX
United Kingdom

2. The Domain Name(s):

<boattripscardiff.co.uk> (the "Domain Name")

3. Procedural History:

3.1 The procedural time table in this case is as follows:

16 December 2014 19:23 Dispute received
18 December 2014 13:35 Complaint validated
18 December 2014 13:45 Notification of complaint sent to parties

09 January 2015 01:30 Response reminder sent
13 January 2015 09:31 Response received
16 January 2015 11:29 Notification of response sent to parties
21 January 2015 01:30 Reply reminder sent
22 January 2015 09:38 Reply received
26 January 2015 10:42 Notification of reply sent to parties
26 January 2015 10:42 Mediator appointed
30 January 2015 15:08 Mediation started
09 March 2015 16:04 Mediation failed
09 March 2015 16:07 Close of mediation documents sent
19 March 2015 01:30 Complainant full fee reminder sent
23 March 2015 10:52 Expert decision payment received

- 3.2 I have confirmed to Nominet that I am independent of each of the parties. I have further confirmed that 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.

4. Factual Background

- 4.1 According to records filed at Companies House, the Complainant was incorporated on 15 October 2008. In those documents it describes its business as “Sea and coastal passenger water transport”.
- 4.2 The Respondent was one of two directors of the Complainant on its date of incorporation.
- 4.3 The Domain Name was registered by the Respondent on 28 March 2009.
- 4.4 According to records filed at Companies House the Respondent ceased to be a director of the Complainant on 19 October 2011 and ceased to be involved in the management of the company either at that time or shortly afterwards.
- 4.5 The Complainant was sold to a Mr James Withers in November 2013.
- 4.6 As at the date of the Complaint, the Domain Name was being used for a webpage that advertised the chartering of a yacht and boat trips from Cardiff operated by “Bay Island Voyages”. This webpage continues to operate as at the date of this decision.

5. Parties’ Contentions

Complaint

- 5.1 The Complainant contends that the Domain Name was registered together with a number of domain names by the Respondent for use by the Complainant's business. All of these domain names are said to have fed into a website operating from the url "www.boattripscardiff.co.uk", and the Complainant claims that the Domain Name "was publicised on all platforms and become established as the main link to" the Complainant's website.
- 5.2 The Complainant also contends that when the Respondent left the Complainant as part of his severance deal he agreed to "return all company property and equipment" to the Complainant. Further, it is claimed that in March 2013, the Respondent agreed in an exchange of texts with a director of the company to transfer the relevant domains to the Complainant.
- 5.3 The Complainant contends that in March 2014 the Respondent transferred all the Complainant's website traffic to a 123-reg holding page and that from May or June 2014 it was used to redirect traffic inter alia to "Bay Island Voyages". This is said to be a business for which the Respondent currently works.
- 5.4 The Complainant contends that solicitors were instructed to send a letter to the Respondent demanding the "return" of the domain names, but that this was ignored.
- 5.5 In support of these claims, the Complainant enclosed with its Complaint:
- (i) A copy of an invoice dated 28 March 2009 directed to "Ryan Hopkins" of "cardiff bay leisure" in respect of the Domain Name and the domain name <boattripscardiff.com>;
 - (ii) A screenshot of the webpage appearing from the Domain Name as at 3 July 2014;
 - (iii) A document signed by the Respondent on notepaper of the Company. That notepaper is headed "Cardiff Bay Sea School" and "Cardiff Sea Safaris" and contains the following statement:

"... I agree not to conduct any activity under the title of or on behalf of Cardiff Bay Leisure Limited, Cardiff Sea Safaris or Cardiff Bay Sea School or purport to do so.

Additionally, I also agree to return all keys and equipment belonging to The Company including items that are currently under repair at third party locations with [sic] 24 hours of signing this declaration"
 - (iv) A set of mobile telephone screenshots, which appear to record (among other things) an exchange of text messages in March 2013, in relation to the renewal and transfer of the Domain Name and the domain names <cardiffseasafaris.co.uk>, <cardiffseasafaris.com>, <boattripscardiff.com>.

Response

- 5.6 In his Response the Respondent claims that he is the legal owner of the Domain Name because it was one of a number of domain names that he had purchased to “use in any company that [he] was working with at the time”.
- 5.7 The Respondent appears to accept that when he was working for the Complainant he registered a series of domain names on behalf of the Complainant. He identifies these as:
- <cardiffseasafaris.co.uk>
 - <cardiffseasafaris.com>
 - <boattripcardiff.com>
 - <boattripcardiff.co.uk>
 - <fastboattripscardiff.co.uk>
 - <fastboattripscardiff.com>
- 5.8 The Respondent claims that these six domain names were transferred to the Complainant, but appears to contend that he was under no obligation to do so in the case of the Domain Name. He also claims that prior to “transferring the redirect on the [D]omain Name” to himself he sent an email to Mr Withers notifying him of this fact (although a copy of this email is not provided with the Response).
- 5.9 The Respondent further contends that the Domain Name is generic in nature and denies that the Complainant has ever used the term “Boat Trips Cardiff” as a name. He claims that the Complainant always traded under the names “Cardiff Bay Sea School” and “Cardiff Sea Safaris”.
- 5.10 In support of the last of these claims, the Respondent provides copies of a letter head, compliments slip and other documentation of the Complainant.

Reply

- 5.11 The Complainant put in a lengthy Reply which for the most part contains further argument in relation to the material filed with the Complaint. However, it also attached what purports to be a witness statement from a Mr Emilio Martinez, who was a director of the Complainant prior to its sale to Mr Withers. In that statement Mr Martinez contends that the Domain Name was one of 10 registered for the Complainant by the Respondent, the full list being:

- <boattripscardiff.co.uk>
- <boattripscardiff.com>
- <cardiffboattrips.co.uk>
- <cardiffboattrips.com>
- <cardiffseasafaris.co.uk>
- <cardiffseasafaris.com>
- <fastboattripcardiff.co.uk>

<fastboattripcardiff.com>
<fastboattripscardiff.co.uk>
<fastboattripscardiff.com>

5.12 Mr Martinez further claims that

“... these domains were purchased by The Company using The Company business card and then also renewed by The Company using The Company business card when the domain expired. It was purchased by The Company to be used by Cardiff Sea Safaris, the trading name of The Company which it did for many years gaining a reputation online as a trustworthy and reputable supplier of passenger boat services with links throughout social media and the internet referring to boattripscardiff.co.uk as the portal to The Company’s services.”

6. Discussions and Findings

General

6.1 To succeed under the Policy, the Complainant must prove first, that it has Rights in respect of a "name or mark" that is identical or similar to the Domain Name (paragraph 2(a)(i) of the Policy) and second, that the Domain Name is an Abusive Registration in the hands of the Respondent (paragraph 2(a)(ii) of the Policy). The Complainant must prove to the expert that both elements are present on the balance of probabilities (paragraph 2(b) of the Policy).

6.2 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

6.3 The Complainant contends that for a significant period of time it operated a website from the Domain Name using the url "www.boattripscardiff.co.uk". This may well be so, but there is no evidence of the Complainant otherwise using the terms "Boat Trips Cardiff", "boattripscardiff" or "boattripscardiff.co.uk" directly as the name of its business. On the contrary, all the material supplied by the parties

suggested that the Complainant at all material times traded under the names “Cardiff Sea Safaris” or “Cardiff Bay Sea School”.

6.4 The Complainant claims that the Domain Name “was publicised on all platforms and become established as the main link to” the Complainant’s website”. However, what these “platforms” were and what form this publicity took is neither explained nor evidenced. Further, as the Respondent contends, “boat trips Cardiff” (which is the only sensible way in which the Domain Name can be read) is a term that is highly descriptive. In the absence of any evidence to the contrary, I am not prepared to accept that the term was ever understood by the relevant public as anything other than one which was descriptive of the services that were provided by the Complainant.

6.5 Given this, and notwithstanding the low threshold test that is normally applied when assessing the test of rights for the purposes of the Policy, I am not prepared to accept for the purposes of this decision that the Complainant has trade mark rights of any form in that term¹.

6.6 Nevertheless, that is not the end of the matter as “rights” for the purposes of the Policy is not restricted to rights akin to trade mark rights. For example, paragraph 1.6 of the Dispute Resolution Service – Experts’ Overview Version 2 asks and answer the following question:

“Can a contractual right constitute a right within the definition of Rights?

Yes it can. A specific example of this is given in the Policy at paragraph 3(a)(v). ...”

6.7 Paragraph 3(a)(v) of the Policy referred to in this passage, gives as an example of an Abusive Registration:

“The Domain Name was registered as a result of a relationship between the Complainant and the Respondent, and the Complainant: A. has been using the domain name registration exclusively; and B. paid for the registration and/or for the renewal of the domain name registration.”

6.8 On its face this provision does not address the issue of the question of whether a contractual or similar right in a domain constitutes a right for the purposes of the Policy. But, as the Appeal Panel in its in DRS 04632 (ireland.co.uk), noted:

¹ For a more detailed examination of the issues here and for an example of a case where I concluded that there were rights arising under the English law of passing off in a highly descriptive term, see DRS 11946 <wyevalleyproperties.co.uk>.

“The underlying assumption is that such circumstances, reflecting a contractual or similar relationship between the parties, may well have given rise to relevant Rights in the first place.”

6.9 I respectfully agree. Paragraph 3(a)(v) (which was only added in version 2 of the Policy in October 2004) does not need to be read as having any impact as to what constitute “rights” for the purposes of the Policy. Nevertheless, it seems reasonably clear that the provision was added to make it clear that a person for whom a domain name had been registered and who had used and paid for that domain name, would have a remedy under the Policy where the domain name had been registered in the name of someone else. The abuse here lies in the holding on to a registration that the registrant has registered for or held on behalf of someone else. In which case, the “right” that the registrant’s holding of the domain name is “unfairly detrimental to” is the legal right that the someone else has to demand the transfer of the domain name so that it can fully and directly control that registration and be named as the registrant of the domain name.²

6.10 In many cases the basis of the right to call for transfer might be contractual, but it may have some other basis. For example, an obligation to transfer the domain name may arise because the circumstances surrounding its registration mean that the complainant is effectively the equitable owner of that domain name.

² The recent decision of the Appeal Panel in DRS 12276 (<hvidbro-mitchell.co.uk>), although confirming that the term “rights” under the Policy is to be given an extensive reading, appeared to question the analysis in paragraph 6.9 of this decision when it stated:

“With contractual rights one can see that a respondent holding onto a domain name which he is contractually bound to transfer to the complainant may well cause detriment to the complainant, but will it cause detriment to his contractual right? It seems unlikely unless self-inflicted, enabling the respondent to deploy a ‘laches’ defence.”

Why exactly this is “unlikely” is not fully explained. It may be that the point being made here is that a failure to comply with a contractual obligation to transfer a domain name is not detrimental to the corresponding contractual right as the legal right to demand transfer still exists. If this is what is meant, then this involves what to this panellist seems to be an excessively narrow analysis of what is the nature of the contractual right in such a case. The contractual right relied upon is usually not just the bare right to call for the transfer of the domain name. It will amount to a right by a particular point in time to control and to be named as the “owner” of that domain name in place of then current registrant. If the contractual right is characterised in this fashion, then it becomes clear that a registrant’s refusal to transfer the domain name is detrimental to that contractual right because it in part fundamentally frustrates it.

However, the comments in the <hvidbro-mitchell.co.uk> was addressing the issue of abuse rather than rights and it may be that they reflect a reluctance for the policy reasons identified by the Appeal Panel in DRS 04632 (ireland.co.uk) to reach a finding of abuse solely on the grounds of contractual breach where the circumstances of paragraph 3(a)(v) of the Policy do not also apply. If that is so, these comments do not call into question the fact that contractual rights can constitute rights *per se* for the purposes of the Policy. These policy reasons are addressed further later on in this decision.

- 6.11 In the present case the Complainant does not expressly identify what legal form its alleged right takes, but nevertheless it is clear that it claims it has a right to call for the Domain Name to be transferred. According to the Complaint, the Domain Name was one of a larger number of domain names registered for and on behalf of the Complainant at a time when the Respondent was a director of the Complainant. If this is correct, I accept that the Respondent has a legal right to call for the transfer of the domain name into the name of the Complainant, either because the Complainant has a contractual right to call for this, and/or because the Complainant is the “equitable owner” of the Domain Name and/or because the registration of the Domain Name in the name of the Respondent involved some breach of fiduciary duty.
- 6.12 The Respondent appears to deny that it is under any legal obligation to transfer the Domain Name, claiming that this particular Domain Name was registered in a personal capacity.
- 6.13 Paragraph 1.6 of the Dispute Resolution Service – Experts’ Overview Version 2 goes on to state, after acknowledging that contractual rights can be rights for the purposes of the Policy:
- “However where the right is disputed and/or the surrounding circumstances are particularly complex, the complaint may nevertheless be rejected as not being appropriate for adjudication under the Policy. See the Appeal decision in DRS 04632 (ireland.co.uk), which was just such a case. This decision reviews all the previous DRS cases involving contractual rights.”
- 6.14 In DRS 04632 (ireland.co.uk), the legal issues that the appeal panel faced were potential complex involving:
- “questions such as jurisdiction, was a binding and enforceable contract entered into, where was any contract made, what is the proper law of the contract, what are the terms of any contract, and what statutory provisions might govern the enforceability of the contract”
- 6.15 However, I am not persuaded that the legal questions are similarly complex in the present case. In essence, the existence of rights boils down to whose claim as to the circumstances of registration is correct. Given this, I have little difficulty in hold that the Complainant’s claims are preferable and that it, therefore, does have rights for the purposes of the Policy. The reasons for this are as follows:
- (i) It is inherently improbable that during his time as a director of the Complainant the Respondent on the one hand registered the domain names <boattripcardiff.com>, <boattripcardiff.co.uk>, <fastboattripcardiff.co.uk>, <fastboattripcardiff.com> on behalf of the Complainant (as he admits) and yet the Domain Name, which is so similar to these, was registered on some other basis;

- (ii) There appears to be no dispute that all of these domain names were for a long period of time actually being used for the business of the Complainant; and
- (iii) There is evidence in the form of a text message conversation in March 2013, after the Respondent ceased to work for the Complainant that the Domain Name was one of four that he was willing to renew for the benefit of the Complainant. These four domain names include domain names that the Respondent accepts he registered for the Complainant (e.g. <cardiffseasafaris.co.uk>) and yet he does not suggest that the domain names should be treated differently.

6.15 Given the conclusion that the Complainant has some form of legal rights in the term “boattripscardiff.co.uk” that is recognised as rights for the purposes of the Policy, it follows that the Complainant has rights in a name that is identical to the Domain Name. In the circumstances, the Complainant has made out the requirements of paragraph 2(a)(i) of the Policy.

Abusive Registration

- 6.16 In DRS 04632 (ireland.co.uk), the appeal panel concluded that regardless of whether it was able to come to a clear view of the contractual issues, there were other problems with applying the Policy where the abuse alleged is simply a failure to comply with a contractual obligation to transfer the domain name. In particular, the appeal panel expressed concern that a court might not order the transfer of the domain name but instead might award damages or make transfer conditional upon some payment. Given this, the panel could not be sure that an order for transfer or cancellation (which are the only remedies that are available to the panel under the Policy) would necessarily provide a just result.
- 6.17 However, it is not necessary for me to consider these issues further in this case. The reason is that the abuse here arises not only out of any alleged contractual breach. It is instead conduct that appears to fall squarely with the scope of paragraph 3(a)(v) of the Policy. It is inherent in my finding as to rights that (a) the Domain Name was registered as a result of a relationship between the Complainant and the Respondent; and (b) the Domain Name was exclusively used by the Complainant at least until the Respondent redirected the traffic from the Domain Name elsewhere.
- 6.18 That still leaves the issue of who paid for the registration of the Domain Name, but the Complainant enclosed with the Complaint an invoice, which although directed to the Respondent, was sent to him at “Cardiff bay leisure”. Further, the text messages provided would suggest that the Respondent renewed the Domain Name together with other domain names using the Complainant’s payment card. That the Complainant paid for the registration and the renewal of the Domain Name is then confirmed in the statement of Mr Martinez.

- 6.19 As is recorded in the forward to the Dispute Resolution Service – Experts’ Overview Version 2 “[d]isputes are decided by reference to the terms of the Policy, not the law,...”. So where, as here, the activities of the Respondent falls squarely within the scope of one of the factors that the Policy identifies as evidencing abusive registration, this is sufficient.
- 6.20 In the circumstances, the Complainant has shown that the Domain Name in the hands of the Respondent amounts to an abusive registration and has thereby made out the requirements of paragraph 2(a)(ii) of the Policy.

7. Decision

- 7.1 I find that the Complainant has Rights in a name, which is similar to the Domain Name, and that the Complainant has shown that the Domain Name, in the hands of the Respondent, is an Abusive Registration.
- 7.2 I, therefore, determine that the Domain Name be transferred to the Complainant.

Signed Matthew Harris

Dated 30 March 2015