

DISPUTE RESOLUTION SERVICE

D00010401

Decision of Independent Expert

LivingSocial, Inc.

and

Mr Roy Vivasi

1. The Parties:

Lead Complainant: LivingSocial, Inc.
829 7th Street, N.W., 3rd Floor
Washington
District Of Columbia
20001
United States

Respondent: Mr Roy Vivasi
Flat 29, Maynard House
Peckham Road
London
Greater London
SE5 7NA
United Kingdom

2. The Domain Name(s):

livingsocialescapes.co.uk

3. Procedural History:

14 October 2011 21:41 Dispute received
17 October 2011 11:30 Complaint validated
17 October 2011 11:34 Notification of complaint sent to parties
03 November 2011 08:32 Response received
03 November 2011 08:33 Notification of response sent to parties
08 November 2011 01:30 Reply reminder sent
10 November 2011 12:52 Reply received
11 November 2011 12:06 Notification of reply sent to parties
11 November 2011 12:06 Mediator appointed
24 November 2011 11:04 Mediation started
16 December 2011 09:25 Mediation failed
16 December 2011 10:11 Close of mediation documents sent
21 December 2011 09:32 Expert decision payment received
06 January 2012 Keith Gymer appointed as Expert

4. Factual Background

The Complainant, LivingSocial, Inc., is a US-based internet business operating in the field of direct, email and online sale of discounted goods and services. Subscribers are typically sent an email each day with a “Daily Deal” discount offer. A typical deal offered by Complainant might be \$20 worth of food, at a local restaurant, for only \$10. Complainant currently serves customers in over 100 cities in the US, Canada, Australia, the United Kingdom and Ireland.

LivingSocial, Inc., was originally named Hungry Machine, Inc. The change of the company name to LivingSocial, Inc., was formally recorded in July, 2011. The business was operated under the LIVINGSOCIAL brand both before and after the corporate name change.

The business is conducted principally through the website www.livingsocial.com, which may also be accessed via related domains, including www.livingsocialescapes.com and www.livingsocial.co.uk.

According to Whois records, these domains, which are held by the Complainant, were registered as follows:

livingsocial.com – 12 November 2007
livingsocialescapes.com – 23 October 2010
livingsocial.co.uk – 27 February 2009

The Complainant has provided specific UK Daily Deals since 30 June 2010. First UK deals were focussed on London, expanded to 6 other UK Cities and Dublin as of 4 November 2010, with many more locations being added since then.

The Complainant has various trade mark registrations for the LIVINGSOCIAL word mark, including, *inter alia*:

CTM No.: 9082141 (European Community)
Filed: May 5, 2010
Registered: November 19, 2010
Goods and Services: Classes 35, 41, 42 & 45

US Reg.: 3668455
Filed July 14, 2008
Registered: August 18, 2009
Goods and Services: Classes 38, 41 & 42.

US Reg.: 3886244
Filed September 21, 2010
Registered: December 7, 2010
Goods and Services: Class 35

US Reg.: 3921220
Filed April 23, 2010
Registered: February 15, 2011
Goods and Services: Class 35

The Respondent, Roy Vivasi, is a private individual, based in the UK. According to the Whois record, the disputed Domain Name, livingsocialescapes.co.uk was registered through Namesco on 24 November 2010. A website with “sponsored listings” generated by Namesco is accessible via www.livingsocialescapes.co.uk.

5. Parties’ Contentions

Complainant:

The Complainant asserts 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)); and
2. The Domain Name, in the hands of the Respondent, is an Abusive Registration (Policy Paragraph 2a(ii)).

The Complainant’s case is supported by a number of Exhibits. The following are edited extracts from the Complaint:

The Complainant owns the LIVINGSOCIAL trademarks (the “LIVINGSOCIAL Marks”) and the <livingsocialescapes.co.uk> domain is similar thereto.

Complainant is the owner of the distinctive and famous LIVINGSOCIAL trademarks. Since prior to the creation of the <livingsocialescapes.co.uk> domain, Complainant commenced use of the LIVINGSOCIAL Marks in connection with the advertising, marketing and selling of online discounts for a wide variety of local and national products and services. Since the inception of the LIVINGSOCIAL Marks, Complainant has continually used such Marks in such commerce.

Complainant extensively promotes its LIVINGSOCIAL Marks through, web, email, and television advertising and expends millions of dollars in this effort. By way of example, one of Complainant's humorous television commercials entitled "LivingSocial Changed My Life" had its premier during the 2011 Super Bowl - the single largest annual television advertising event in the United States. Complainant has also been the subject of extensive media coverage including stories in Venture Beat, a leading on-line business journal, NY Convergence, a New York City-based publication featuring leading digital businesses, the New York Times, CNN.com and many other outlets.

Complainant generates significant sales revenue as a result of the advertising and marketing it conducts on its websites reached through the <livingsocial.com>, <livingsocialescapes.com>, <livingsocial.co.uk>, <livingsocial.ca> and many other domains (including a page devoted to travel deals at www.livingsocial.com/escapes). According to the website Alexa.com the <livingsocial.com> domain alone is ranked in the top 200 websites for traffic volume in the United States. As a result of Complainant's long usage and promotion of the LIVINGSOCIAL Marks, they have become famous and widely recognized by consumers. (Exhibits include examples of how the LIVINGSOCIAL Marks are used and promoted.)

Complainant owns many trademark registrations, in a number of different countries, for the LIVINGSOCIAL Marks, including European Community and United States Federal Trademark Registrations [see 4 above]. (Exhibits include copies of Complainant's abovementioned Trademark Registrations together with a change of name Certificate, dated July 27, 2011, indicating that Complainant changed its name from Hungry Machine, Inc. to LivingSocial, Inc.)

The Domain Name is similar to the LIVINGSOCIAL Marks. The use of the word "escapes" in proximity to the unique and world-famous LIVINGSOCIAL trademark does not avoid, but rather, enhances similarity between the <livingsocialescapes.co.uk> domain and the Marks since Complainant, itself, offers vacation packages as well as other travel and hotel deals which it refers to as "Escapes".

See e.g., New Zealand Milk Brands Limited v. New Media Services Limited, DRS Complaint No. 9416 (2011) (In finding that the <anchorbutter.co.uk> domain is similar to Complainant's ANCHOR trademark, the Expert held that "[w]hile the Domain Name is not identical to the name in which the Complainant has established Rights, it is now settled under the DRS that the inclusion of generic or descriptive words together with a name or mark in which the Complainant has Rights does not mean that the Domain Name in question is so dissimilar that it falls outside paragraph 2(a)(i) (see natwestloans.co.uk (DRS3390), tescoestateagents.co.uk (DR3962), replicarolex.co.uk (DRS5764) and veluxblind.co.uk (DRS6973), by way of examples).").

Further, the fame of a trademark will influence the analysis of whether a given domain is similar. In Hennes & Mauritz AB v. Zaibatsu, Inc., DRS Complaint No. D00010145 (2011), the Expert found that, "owing to its trade mark rights and the well known nature of its name and mark, it is entitled to extensive protection for the mark H&M, including the right to object to the [<handm.co.uk>] Domain

Name.” Also, New Zealand Milk Brands Limited, *supra*, (“There is some authority in DRS, and more particularly UDRP, proceedings for the proposition that where a mark is particularly well known, a presumption is raised that the Respondent was acting in bad faith in registering a domain name which infringes the rights in that mark, in essence because common sense would suggest that the Respondent must have been aware of the existence of that mark.”)

In the present case, the <livingsocialescapes.co.uk> Domain Name is very similar to the LIVINGSOCIAL Marks and the fame of such marks, in the UK, the US, and many other countries, counsels towards a broad scope of protection. Further, given the fact that Complainant does offer “escapes” amongst its many discount deals, it would be natural for internet users to add this word to the LIVINGSOCIAL Mark when typing in a domain and seeking Complainant’s services. As such, internet users who type the <livingsocialescapes.co.uk> domain into their browsers will be expecting to reach an official website of Complainant’s, such as the exhibited www.livingsocial.com/escapes page.

Abusive Registration:

As set forth above, the <livingsocialescapes.co.uk> domain incorporates and is similar to the unique and famous LIVINGSOCIAL Marks. The Domain Name is also abusive as it is likely to confuse people into believing there is a connection between Respondent and Complainant when none, in fact, exists.

The use of the word “escapes” in this Domain Name enhances confusion as Complainant’s customers have, and would fully expect to see this word in relation to an authorized website hosted by Complainant. See, *Barclays PLC v. Realm Solutions, Inc.*, DRP Case No. D00009988 (2011) (In relation to <barclaysjobs.co.uk> the Expert stated that “[i]t is not difficult to see how a person looking for a job at Barclays would type the words ‘Barclays’ and ‘jobs’ into a search engine).

The fact that the URL <www.livingsocialescapes.co.uk> resolves to a typical pay-per-click or a sponsored links page enhances confusion and clearly demonstrates the abusive use of this domain by Respondent.

In the present case, the nature of the Domain Name is that it is confusingly similar to Complainant’s famous LIVINGSOCIAL Marks and, as noted above, the addition of the word “escapes” only enhances this confusion. The nature of the advertising links on Respondent’s website lead to offers for hotels, apartment rentals and, when one clicks on the “LivingSocial” link, to more travel-related links and “Great Deals In Your City.” Finally, the appearance of such links on this website are solely the responsibility of Respondent since, as owner of the <livingsocialescapes.co.uk> Domain Name, it is in a position determine the content of its website and could have resolved it to any manner of alternate content which does not offer services that compete with Complainant. Here, Respondent chose to leave the website in its pay-per-click state for the purposes of piggy-backing on the Complainant’s trademark rights and, thus, generating revenue.

Even, assuming, *arguendo*, that a sustained likelihood of confusion is not found here, internet users who type the URL <www.livingsocialescapes.co.uk> into their

browsers will be expecting to reach an official website of Complainant's and, even if they ultimately realize that Respondent is not an official affiliate of Complainant's, will have suffered from initial interest confusion. The Expert in Hennes & Mauritz, supra, held that, "even if the respondent's website is clearly unconnected with the complainant, the visitor will only have been taken there in the first place in the expectation of finding the complainant's authorised site." Even more compelling is the Expert's statement in Barclays PLC, supra: "That the Respondent uses neither the Complainant's logo nor the 'look and feel' of the Complainant's web sites is unlikely to have been sufficient to disabuse those visitors to the web site who viewed its contents, having been led to it as a result of their false belief that it was connected to the Complainant (i.e. by their initial interest confusion)." In the present case, the <livingsocialescapes.co.uk> website fits this description.

Respondent is not an authorized distributor or reseller of Complainant's services. As such, it had no authority from Complainant to register the <livingsocialescapes.co.uk> domain. Respondent is not legitimately connected with the LIVINGSOCIAL Marks and its use of the <livingsocialescapes.co.uk> domain clearly gives the misimpression that it is, in fact, so connected.

The <livingsocialescapes.co.uk> domain, and its resulting website, do not fit into any accepted category of fair use (e.g., criticism, commentary, political speech, etc.). Rather, the domain falsely implies a commercial connection with Complainant by its use of the Marks and the word "escapes" which is also used by Complainant.

For all of the foregoing reasons, the Complainant asserts that the <livingsocialescapes.co.uk> domain is similar to Complainant's LIVINGSOCIAL Marks and is an abusive registration.

The Complainant requests that the Domain Name should be transferred to the Complainant.

Respondent:

The Respondent submitted a Response also supported by a number of Exhibits. Edited extracts of the Response are provided below:

The DRS does not specifically require the owner of a domain name to have a trademark registered or unregistered, because of the "first-come, first-served" rule of domain registration.

The Complainant attempts to give examples to justify their case and by referring to their current reputation, referencing various irrelevant advertising campaigns e.g. Advert at the 2011 Super Bowl, which is logically irrelevant given what matters is the reputation/circumstances at or before the time I registered the Domain Name.

The Complainant clearly stated that the change of name certificate from Hungry Machine, Inc. to LivingSocial, Inc. is dated July 27th 2011 (which is again significantly after my registration of livingsocialescapes.co.uk). I have included evidence of publicly available files which detail the date of the request for recordal / modification from Hungry Machine, Inc. to Living Social, Inc. as being 29/09/2011 (from the OHIM's database) for the European Community Mark (Reg. No.: 9082141) despite the change of name being in July.

Secondly out of all the referenced marks the Complainant lists, only two were registered before my domain registration and in addition, given that this is a UK Domain Name registration by a UK resident, only one of these is relevant in this dispute, the first Mark on their list, CTM 9082141. This particular mark was not registered based on "Acquired distinctiveness", thus emphasizing that at the time of my registration (as this mark was registered on 19/11/2010, only 5 days before my Domain Name registration on 24/11/2010), the complainant was not seen by OHIM as having acquired any distinctiveness (examples which include consumer recognition of the trademark as an identifier of source, sponsorship, affiliation or other business relationship).

In conclusion, as regards their marks, and momentarily ignoring the generic and descriptive composition of words which even together were not seen as having acquired secondary meaning, the Complainant has obviously prolonged pursuing a dispute until the "balance of probabilities" swayed more towards them (i.e. after their reputation had grown).

The terms used in my Domain Name registration are all "generic" and/or "descriptive" words as well as phrases - Living, Social, Escapes, Social Escapes (Policy 4 (a) ii.).

I am more than willing to put a disclaimer on the website emphasizing that livingsocialescapes.co.uk is not directly related to LivingSocial, Inc. I am also happy to include a link to their website as well as discuss further adaptations during informal mediation as clearly a reputation has now been built around this mark. It has to be noted that no attempt to contact me (the Respondent) directly has ever been made despite my details being freely available on the registrar's website (Namesco, Whois).

There was no "unfair" motive to register, use, transfer or any combination of these at the time or during the life of the Domain Name and hence no evidence from the Complainant.

As for the element of confusion the "likelihood of confusion" that the Complainant refers to, this is again not evidence, especially given that this likelihood has increased as result of the Complainants' public actions i.e. planned activities in the UK subsequent to my registration.

The Complainant has given examples of previous cases where respondents own domain names which include sponsored links, but it is vital to note that the site being hosted is an automatically generated site from the Respondents' registrar (Namesco), and despite the Policy saying it is "not itself objectionable" (Policy Paragraph 4(e)), the nature of the advertising links is important as they are the

result of an automatic landing page that the registrar benefits from (i.e. not the Complainant [sic]) and I have responsibly not changed or attempted to change the content. Thus justifying no intent to disrupt the Complainants' business and/or to profit from any material displayed on the website, emphasising the legitimate and non-commercial or fair use of the Domain name.

The Complainant suggests that "none of the factors (in Paragraph 4(e) of the Policy) are of any help to the Respondent" in their attempt to justify abusive registration. However, I would like remind the Complainant that is the Expert's role to make this judgment and, as mentioned above, I am willing to make modifications (alternative content) to minimise the "initial interest confusion" as the owner of the Domain Name, and would also like to highlight that, more often than not, LivingSocial, Inc. links are automatically generated on the site and no effort to change this [or] disrupt this has ever been made.

The Complainant cites a number of cases, to enhance their allegations of abusive registration, however in least one particular case cited, the respondents had "a track record of inserting sponsored links on Google" as well actively altering the content of the site (neither of which are true in my case).

Fair use of the Domain name:

The fact that the Complainant's business needs have evolved to now requiring the site to launch new activities in the UK, which are consequently related to the words used in my registered Domain Name do not justify what I feel is a "reverse domain name- hijacking" attempt. I have highlighted relevant details regarding their marks based on the timing, change of name of the company, jurisdiction to which they apply, and the grounds on which they were awarded. I have also justified my non-abusive use, willingness to cooperate, redirect users accordingly, and I am more than happy to come to a mutually beneficial understanding. This site was registered without intent for commercial gain, to misleadingly divert consumers or to tarnish any trademarks or service marks, but simply to acquire an attractive generic domain name for potential future use. After being registered the content on the site has always been the result of a generic page from the registrar (I welcome the Complainant to perform a cached history search to verify this or to contact Namesco).

Complainant's Reply:

The Complainant submitted a Reply and further Exhibits to address certain issues raised in the Respondent's Response. The Reply is reproduced in slightly edited form below:

Complainant's prior Trademark Rights:

Respondent points out that Complainant's European Community Trademark Registration (Reg. No.: 9082141) was issued only 5 days prior to the registration of the <livingsocialescapes.co.uk> domain and was not granted based on acquired distinctiveness. This seems to suggest that the domain is not abusive because Respondent had no prior knowledge of the LIVINGSOCIAL trademark and Complainant's rights thereto or that the trademark was not distinctive at the time

it was registered. In reply, it must be pointed out that the application, from which this registration matured, was filed on May 5, 2010, many months prior to the registration of the <livingsocialescapes.co.uk> domain and it was considered sufficiently distinctive *per se* such that no evidence of acquired distinctiveness was required by the OHIM Examiner.

Prior to registering its Domain Name, had Respondent taken a moment to review the European Community Trademark registry, which has effect in the UK, it would have quickly discovered the existence of Complainant's rights in the LIVINGSOCIAL mark. Further, had Respondent merely typed the obvious address www.livingsocial.com into its browser, it would have instantly become aware of Complainant and its UK activities under this mark.

However, since .uk DRS case law has, sadly, not held respondents responsible for researching trademark conflicts with their domains when registering on a first-come basis, Complainant will set out further evidence to indicate that the Respondent here knew or should have known of the LIVINGSOCIAL trademark in the UK.

Complainant's use of its LIVINGSOCIAL trademark in the UK was very prominent, well-publicised, and long pre-dated the registration of the <livingsocialescapes.co.uk> domain. Complainant commenced its services in the UK in June of 2010 by launching deals available in Respondent's own city of London. By November 4, 2010, the PR Newswire referred to the service as a "Social Commerce Phenomenon" and a "Leading social commerce firm" in a article which reported that "LivingSocial is rapidly becoming the number one choice for UK businesses looking to implement a social commerce campaign...."

In light of this publicity and the success of the LIVINGSOCIAL services in the UK, Respondent knew, or should have known of Complainant's trademark rights when it registered its domain name and any claim to the contrary must be viewed with great suspicion. This is especially so where the Domain Name contains the exact format of the trademark followed by the word "Escapes" which is the title of a service offered by Complainant. The fact that an article ran in the November 21, 2010 edition of the very high-profile Sunday Times featuring the LIVINGSOCIAL service makes the November 24, 2010 registration date of the <livingsocialescapes.co.uk> Domain Name even more suspicious.

Further, Respondent makes the disingenuous claim that the <livingsocialescapes.co.uk> is merely a "generic and descriptive composition of words...".

Without offering a dissertation on the basics of trademark law, Complainant asserts that this claim is without merit. Were Respondent to have registered the domain <applecomputer.co.uk> could it successfully assert that it was merely combining the generic words "apple" (i.e., for fruit) and "computer"? While each word in the <livingsocialescapes.co.uk> domain may independently have a generic meaning, the combination clearly is distinctive *per se* as well as in relation to Complainant's services. The cited registrations of the LIVINGSOCIAL mark clearly indicate that the OHIM and USPTO agree. The confusingly similar offerings of hotel and other travel-related services listed on Respondent's pay-per-click website

render it a clear infringement under the law and an Abusive Registration under the Policy.

Succession of title to the LIVINGSOCIAL Trademark:

Respondent states that “the change of name certificate from Hungry Machine, Inc. to LivingSocial, Inc. is dated July 27th, 2011 (which is again significantly after my registration of livingsocialescapes.co.uk)...”.

In reply, Complainant asserts that both the change of ownership and the date on which this change took place are entirely irrelevant to the enquiries of this case. The fact remains that trademark rights to the LIVINGSOCIAL name subsisted prior to the creation of the <livingsocialescapes.co.uk> domain by Respondent and that this domain is abusive of those trademark rights. To hold otherwise would fly in the face of longstanding principles of contract and trademark law.

Respondent is solely responsible for the content on its website:

Respondent seeks to evade responsibility for any infringing content on its pay-per-click website by claiming that “the nature of the advertising links is important as they [sic] the result of an automatic landing page that the registrar benefits from (i.e. not the Complainant)...”.

However, Paragraph 4(e)(iii) of the Policy clearly states that “[t]he Expert will take into account ... that the use of the Domain Name is ultimately the Respondent’s responsibility.” This mandate has been adopted by Experts in DRS decisions such as *Sportingbet Plc v. Mr. Gavin Murphy*, DRS Complaint 09552 (2011), in which it was held that “[i]t does not matter that the Respondent may not have been directly responsible for the content of the parking page. As the Policy makes clear it is his responsibility to ensure that the Domain Name is used legitimately.” This same concept has been adopted in analogous UDRP decisions which hold that, as the owner of a domain, a respondent is solely responsible for, and has the power to change the content of its website. See, e.g., *MasterCard International Incorporated v. Banu Asum Kilich*, WIPO Case No. D2009-1525 (Panel agreed with complainant’s assertion that “as the owner of the disputed domain name, [respondent] is responsible for the contents of the website, regardless of whether a third party profits from the links placed on the website.”).

Further, under analogous UDRP decisions, it does not matter whether the respondent is the party commercially benefiting from pay-per-click links, since bad faith may be found where third parties are commercially so benefiting. See, e.g., *Focus Do It All Group v. Sermbezis*, D2000-0923 (WIPO Oct. 6, 2000) (Despite respondent’s claim that it does not, personally, receive revenue from its website, “it is enough that commercial gain is being sought for someone for use to be commercial”). Also, *Fender Musical Instruments Corporation v. Christopher Ruth*, NAF Claim No. FA1008001342834 (2010) (“The Panel finds that, despite Respondent’s contentions that it has not benefited commercially from the use of the domain name and has no control over the content of such, Respondent registered and used the domain name in bad faith.”

Complainant asserts that the abusive nature of the <livingsocialescapes.co.uk> Domain Name is similarly evident in the commercial nature of the hotel, vacation, and other links which appear at its website.

Respondent's Admissions:

Despite arguing that its registration is not abusive, Respondent makes the surprising statement that it is "willing to make modifications (alternative content) to minimise the 'initial interest confusion'...". As such, Respondent admits that initial interest confusion exists.

Further, Respondent states that it is "more than happy to come to a mutually beneficial understanding." Having claimed that it realises no commercial gain from its <livingsocialescapes.co.uk> website, and without ever articulating a believable or rational reason for registering this Domain Name, Respondent now seeks to negotiate some arrangement where it will benefit from its ownership of this domain. This appears to be a thinly-veiled attempt to either sell the Domain Name to Complainant or perhaps to be paid for redirecting traffic to Complainant's legitimate website. This seeking of "mutual benefit" cannot be viewed as anything other than mercenary and abusive.

For all of the above reasons, Complainant re-states its assertion that the <livingsocialescapes.co.uk> domain is confusingly similar to the LIVINGSOCIAL trademark, is abusive thereof and takes unfair advantage thereof. As such, it should be transferred to Complainant.

6. Discussions 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 LIVINGSOCIAL trademark and that this mark is confusingly similar to the Domain Name. (The Expert notes that the Policy does not in fact require that the mark and Domain Name are "confusingly similar" (which is a UDRP test) but only that the respective mark and Domain Name are "similar".)

The Complainant clearly has registered trade mark rights in the LIVINGSOCIAL name and mark, including in the US through three registrations and in the EU through CTM 9082141, which were all filed before the date of registration of the disputed Domain Name, which is livingsocialescapes.co.uk.

The Respondent has sought to argue that i) only CTM 9082141 is potentially relevant as the Domain Name is in the UK and the CTM was only registered 5 days prior to the Domain Name; ii) the Complainant was not itself named LivingSocial, Inc. at, and did not record its change of name until after, the date the Domain Name was registered; iii) the Complainant didn't have "acquired distinctiveness" in the LIVINGSOCIAL trade mark; and iv) that the Domain Name is merely a generic combination of the generic and descriptive words, 'living', 'social' and 'escapes'.

As the Complainant has explained in the Reply above, the Respondent's arguments are evidently based on misunderstandings both of trade mark law and the DRS.

i) The DRS definition of "Rights" is expressly not restricted to consideration of "Rights" enforceable only under UK law, so an Expert can certainly take account of non-UK rights if appropriate; ii) the change of corporate name of the Complainant is of no relevance to the existence of the "Rights" asserted by the Complainant in this case, nor is the date of recordal of that change on the CTM Register (which is well within normal standards in any event); iii) the reference on the CTM Register to a supposed lack of "acquired distinctiveness" means, exactly as the Complainant has stated, that OHIM simply considered that the LIVINGSOCIAL mark was inherently distinctive, and that no proof of acquired distinctiveness was therefore required before the registration was granted; and iv) whilst 'living', 'social' and 'escapes' may each separately be ordinary descriptive words, the combination of LIVINGSOCIAL does not have any ordinarily recognised meaning or association, apart from as the Complainant's business brand, and the addition of 'escapes' does not break that association.

The Domain Name is going to be seen by any English speaker as a straightforward combination of LIVING+SOCIAL+ESCAPES. It would almost certainly be read as LIVINGSOCIAL-ESCAPES by anyone familiar with the Complainant's business. Alternatively, it might conceivably be read (as the Respondent appears to suggest) as LIVING-SOCIALESCAPES, but the Expert considers that rather less likely in all the circumstances.

In any event, the Domain Name plainly includes, and begins with, the identical wording to the LIVINGSOCIAL mark, followed by 'escapes', which is a term commonly used to describe getaways or breaks from work. As such, it is a logical combination of the Complainant's mark with a simple term descriptive of relevant business offerings (i.e. 'escapes'). It is therefore unsurprising that the Complainant itself had already registered the domain name <livingsocialescapes.com> prior to the Respondent's registration of the disputed Domain Name.

Consequently, in the Expert's view, the Complainant very clearly has Rights in a name or mark which is similar to the Domain Name at issue, pursuant to Paragraph 2.a.i of the Policy, so this requirement is duly met.

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 a Domain Name is an Abusive Registration are set out in Paragraph 3a of the Policy.

From the Complainant’s submissions and supporting evidence, the following examples appear to be potentially applicable in this case:

- 3a. A non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration is as follows:
 - 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; or
 - 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;

...

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

The Respondent has claimed that the Domain Name “was registered without intent for commercial gain... but simply to acquire an attractive generic domain name for potential future use.” The Respondent does not give any indication of what “potential future use” might actually have been contemplated, nor any indication of why he might have happened to pick ‘living’, ‘social’ and ‘escapes’ out of all the thousands of dictionary words and to combine them in just that order, as his one ostensibly “attractive generic domain name” for that unspecified “potential future use”.

The Respondent also claims that the website at www.livingsocialescapes.com is generated automatically, for him, but without intervention by him, by Namesco – with all its identified “Sponsored links” – including references to LivingSocial and links to competitor’s websites. The Respondent refers to this as “a generic page from the registrar” and says that he has “responsibly not changed or attempted to change the content”. He also asserts that this is “fair, legitimate and non-commercial or fair use of the Domain Name”.

However, it is noted that the Respondent does not deny knowledge of the existence of the LIVINGSOCIAL name and business prior to his registration of the Domain Name.

The evidence in this case shows that the LIVINGSOCIAL brand had been in use in the UK, and specifically in London, for several months by that time; that the business had been very successful during that short period; that further UK expansion had just been announced; that the livingsocialescapes.com domain name had just been registered; and that the business had just received publicity in the Sunday Times – a major UK national paper.

The Complainant has not expressly indicated when it first offered “escapes” among its deals, but such was clearly anticipated prior to the Respondent’s registration of the Domain Name.

In the Expert’s view, the weight of the evidence suggests that, on the balance of probability, the Respondent would have been aware of the existence and nature of the LIVINGSOCIAL business (and, quite possibly, of the likely inclusion of “escapes” as deals) before he registered the Domain Name.

The Expert simply does not find it credible that the Respondent would have chosen to register livingsocialescapes.co.uk purely as a chance selection.

Nor is the Expert persuaded by the defence that the Respondent’s conduct has apparently been entirely passive in relation to the supposedly automated (and, by implication, uncontrolled or uncontrollable) operation of the website at www.livingsocialescapes.co.uk by Namesco.

As stated under Paragraph 4e of the Policy, whilst “...Sale of traffic (i.e. connecting domain names to parking pages and earning click-per-view revenue) is not of itself objectionable under the Policy, [...] the Expert will take into account:

- i. the nature of the Domain Name;
- ii. the nature of the advertising links on any parking page associated with the Domain Name; and
- iii. that the use of the Domain Name is ultimately the Respondent’s responsibility.

In the Expert’s view, the sponsored links generated on the website clearly indicate that this is not a ‘non-commercial’ use. It may be financially more to Namesco’s benefit than to the Respondent’s personally, if Namesco retains any click-through income itself, but ‘non-commercial’ it is not.

Further, as the LIVINGSOCIAL brand was already in use – and protected as a registered trade mark enforceable in the UK, at the time the Domain Name was first registered, it would have been entirely predictable at that time that any automated link-generating system – like that presumably used by Namesco to populate the website at www.livingsocialescapes.com, would come up with links relating to the LIVINGSOCIAL business and its competitors. That is in the nature of such systems.

The unauthorised use of the LIVINGSOCIAL name and mark in the Domain Name for this purpose is misleading and unfairly exploits the goodwill and reputation developed by the Complainant in the LIVINGSOCIAL brand.

The Respondent did nothing to prevent such unfair exploitation, and did not even offer a description of the alternative “potential future use” for which he claims to have acquired the Domain Name, but apparently just sat back and left the Namesco system to run in its predictable way until the Complainant decided to take action.

In the Expert’s view, that he did nothing does not afford the Respondent a viable defence in these circumstances. (The Respondent may have been passive, but he knew the Domain Name was in active use.) Rather, it would seem to support the Complainant’s contention that the Respondent’s intention has been to wait and see if and when the Complainant might come along and perhaps make an offer for the Domain Name or reach some “mutually beneficial understanding” whereby the Respondent would ultimately profit from his registration of the Domain Name, and that this was actually the sort of “potential future use” which may have been contemplated all along.

Overall, the Expert considers that the Domain Name is certainly being used in a manner, and that it was also most probably originally registered in a manner, which takes unfair advantage of the Complainant’s earlier Rights. It is therefore an Abusive Registration for the purposes of paragraph 2.a.ii of the Policy.

Consequently, the Expert also dismisses the Respondent’s counter-claim that the Complaint in this case might be a “reverse domain name-hijacking attempt”.

7. Decision

Having concluded that the Complainant does have 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 livingsocialescapes.co.uk should be transferred to the Complainant.

Signed Keith Gymer

Dated 11 January, 2012