

DISPUTE RESOLUTION SERVICE

D00012266

Decision of the Independent Expert

Mr John Hunter

and

Mr Brendan Crozier

1. The Parties:

Complainant: Mr John Hunter
Tigh-Sealgair
Les Pins, Route de Cobo
Castel
Guernsey, Channel Islands
GY5 7UP
Guernsey

Respondent: Mr Brendan Crozier
17 Berryhill Drive
Glasgow
Lanarkshire
G46 7AS
United Kingdom

2. The Domain Name:

gleneaglesapartments.co.uk

3. Procedural History:

28 January 2013	- Dispute received and Complaint validated.
28 January 2013	- Notification of Complaint sent to the Parties.
14 February 2013	- Response reminder sent.
18 February 2013	- Response received and notification of response sent to the Parties.
19 February 2013	- Reply received.
19 February 2013	- Notification of reply sent to the Parties.
19 February 2013	- Mediator appointed.
22 February 2013	- Mediation started.
07 March 2013	- Mediation failed.

- 07 March 2013 - Close of mediation documents sent.
12 March 2013 - Expert decision payment received.

The Expert has confirmed to Nominet that he is independent of each of the Parties and that he knows of no facts or circumstances that might call into question his independence in the eyes of each of the Parties.

4. Factual Background

- 4.1 The Complainant registered *gleneaglesapartment.co.uk* as a domain name on 24 April 2007.
- 4.2 The Respondent registered the Domain Name on 25 January 2012.
- 4.3 Both the Complainant and the Respondent offer for rent a self-catering apartment at Guthrie Court, Gleneagles Village, Auchterarder, Perthshire.

5. Parties' Contentions

For the purposes of this section of the Decision, the Expert has summarised the submissions of the Parties but only insofar as they are relevant to the matters that the Expert is required to determine under Nominet's Dispute Resolution Service ('DRS') Policy (the 'Policy').

The Complaint

- 5.1 In summary, the Complainant submitted that the Domain Name should be transferred to him for the reasons below.

The Complainant's Rights

- The Complainant submitted that he has Rights in respect of a name or mark which is identical or similar to the Domain Name, in accordance with the Policy.
- The Complainant submitted that the name *Gleneagles apartment* (the 'Name') is directly connected to his self-catering apartment in Gleneagles Village, which he rents to the public (the 'Apartment'). The Complainant explained that the Apartment is situated at Guthrie Court, Gleneagles Village in Perthshire and has been advertised publicly on the Internet.
- The Complainant explained that the Apartment was formerly managed by *Cliath Holidays* but is currently being managed by *Abade Self Catering Holidays*. He also explained that he subscribes to the Scottish Tourist Board's (Visit Scotland) grading system, and through his "considerable investment" in upgrading and maintaining the Apartment

to a "high standard", he has achieved a four star rating with that tourist board.

- He submitted that he uses and has used the domain name *gleneaglesapartment.co.uk* (being the Domain Name without the pluralised "s" at the end) for his website since that domain name was first registered for him on 24 April 2007, and he has used that domain name for almost 6 years and to a "not insignificant degree".

[The reference to a "not insignificant degree" here is relevant to whether or not the Complainant has Rights in the Name, which is considered below at paragraphs 6.4 to 6.10.]

- The Complainant submitted that the Respondent is not known or connected to the Complainant in any way and, therefore, the Respondent has no Rights in the Domain Name.

Abusive Registration

- The Complainant submitted that the Domain Name features a typographical variant (the addition of the "s" at the end) of the Complainant's domain name *gleneaglesapartment.co.uk* which, in the hands of the Respondent, is an Abusive Registration.
- The Complainant stated that the Respondent's use of the Domain Name, which is confusingly similar to his *.co.uk* domain name, is a "blatant case of domain name "passing off"".
- The Complainant submitted that the Respondent's registration of the Domain Name is a clear attempt to disrupt the Complainant's business, and that the Respondent intentionally set out to create confusion in the minds of the public, leading people looking for his website to the Respondent's website attached to the Domain Name (the 'Website') without them realising "they are not where they wanted to be".
- The Complainant submitted that, as the Domain Name is confusingly similar to the Complainant's domain name, there is a risk of potential and current customers being deceived into renting the Respondent's property, or into thinking the Apartment is associated with the Respondent.
- The Complainant submitted that, not only is there the possibility of lost sales revenue, the potential for confusion could be damaging to his good reputation in that the Apartment has a 4 Star Grading with the Scottish Tourist Board, which the Respondent does not. If the Respondent's property or services are of a lower quality than the Complainant's, the risk is that the Complainant's reputation could be unjustly harmed which may result in a possible complaint to the Scottish Tourist Board.

- The Complainant also submitted that the Respondent infers ownership of more than one apartment by using the plural word “apartments” in the Domain Name which is deceiving, as he only refers to one apartment on the Website. However, by using the plural, the Complainant’s customers and other internet users could be “duped” into believing that the Complainant’s and the Respondent’s apartments are connected and owned by one and the same person/company which “could cause a potentially embarrassing and damaging situation”.
- The Complainant submitted that, under the contact page on the Website, the Respondent invites visitors to contact Gleneagles Apartment (singular), which is the Complainant’s domain name, which also creates further confusion.
- Finally, the Complainant submitted that the registration of the Domain Name does not appear to be an “innocent act or mistake” as it is not an isolated case by the Respondent. He stated that he intends to lodge a complaint with ICANN against the Respondent in relation to a .com domain name. As a result, the Complainant submitted that the registration is a clear attempt at a blocking registration.

[The Complainant submitted that the Respondent registered the Domain Name in contravention of the terms and conditions of 123-Reg who host the Website, referring to Section 1.2 of 123-Reg’s Terms of Use. However, the Expert has disregarded this part of the submission on the basis that the Respondent’s contractual arrangement with his web-hosting service is separate from Nominet’s DRS and is outside the scope of the Dispute.]

Respondent’s response

5.2 In summary, the Respondent submitted that the Domain Name should not be transferred to the Complainant for the reasons set out below.

- The Respondent submitted that he has the right to use the Domain Name as it accurately describes his legitimate U.K. based business.
- The Respondent submitted that he registered the Domain Name in good faith and that he is entitled to use the Domain Name. He explained that he owns a self-catering apartment at Guthrie Court, Gleneagles Village, Auchterarder, Perthshire, and uses the Domain Name to advertise the rental of that apartment.
- The Respondent submitted that the Domain Name consists of common and descriptive words: ‘Gleneagles’, which is the name of a town/place in which his apartment resides and ‘Apartments’ which is the common name for a type of accommodation. Therefore, the Respondent does

not consider that the Complainant has the sole right to use the Name and its variants.

- The Respondent submitted that he registered the Domain Name as it accurately describes the product /service that the Respondent offers i.e. the rental of a Gleneagles apartment. The Respondent submitted that the reason for him choosing the pluralised version of the name "Gleneagles Apartments" was based on his research, using Google's keyword tool, that showed that the plural version was being searched for more than the singular term.
- The Respondent submitted that he registered the Domain Name to actively use and promote his Gleneagles apartment business and that he has not tried to sell/rent the Domain Name to the Complainant nor use it in any malicious way to effect or damage the Complainant's website. The Respondent submitted that he did not know the Complainant and has no connection with him.
- The Respondent submitted that the claims of "passing off" are unfounded as he is not trying to pretend that he is or is associated with the Complainant. The Respondent submitted that, unlike the Respondent, the Complainant is a member of the Scottish Tourist Board and has the visual branding of the Scottish Tourist logo on his website. The absence of such a logo from the Respondent's website would clarify any confusion instantly.
- The Respondent submitted that any site visitor looking at the two sites would be "able to tell them apart instantly", commenting that he thought his apartment was "superior to the Complainant's" and therefore any association could not damage the Complainant's reputation. The Respondent submitted that the Complainant had changed the design of his website to copy the look and feel of the Website.
- Finally, the Respondent submitted that on the Website, he requires customers to contact him directly whereas the Complainant's website redirects customers to his agent (noting that booking through the Visit Scotland site is also possible). The fact that web visitors can book the Complainant's accommodation via a direct link from the Visit Scotland site and also directly from his agent "should remove any confusion between the two sites".

Complainant's Reply

5.3 The Complainant submitted in reply that, in summary:

- He was not aware that the Website existed until it was brought to his attention.

- He disagreed with the Respondent's claim that his website had been changed to look like the Website. He "merely" refreshed his website after several years use, as the previous website template he used was outdated with no content management and was also inefficient in attracting Google traffic. The current template is an "off the shelf" version using Wordpress content management which is available to anyone and, indeed, is used by "innumerable individuals and companies each with a similar look and design".
- Just because his website refers a visitor to his agent does nothing to avoid the confusion created by the use of the Domain Name or distinguish the separate ownership and businesses of his and the Respondent's apartment to the general public, or avoid the potential for loss or damage to his business. It is an irrelevant response by the Respondent to the Dispute.

6. Discussions and Findings

General

- 6.1 To succeed in the Complaint, the Complainant has to prove pursuant to paragraph 2 of the Policy that, on the balance of probabilities¹:

"a. (i) [he] has Rights in respect of a name or mark which is identical or similar to the Domain Name; and,

(ii) The Domain Name, in the hands of the Respondent, is an Abusive Registration."

- 6.2 Addressing each of these limbs in turn:

i) Rights in respect of a name or mark which is identical or similar to the Domain Name

- 6.3 Paragraph 1 of the Policy defines 'Rights' as:

"[...] rights enforceable by the Complainant, whether under English law or otherwise, and may include rights in descriptive terms which have acquired a secondary meaning;"

also, the Complainant must have the Rights at the time of the complaint.²

- 6.4 The Complainant has not brought forward evidence that he has obtained registered trademark protection for the Name; a registered trademark being an enforceable right as understood by the above definition. That said, as the above definition of Rights embraces enforceable rights other

¹ I.e. on the basis that the Complainant's case is more likely than not to be the true version, see <http://www.nominet.org.uk/disputes/drs/legalissues/>.

² See, for example, Nominet Appeal decision, *ghd*, DRS No. 03078, at page 9, para 9.2.2.

than a registered trade (or service) mark, the Expert has considered whether such a non-registered enforceable right arises in the Name.

- 6.5 The Respondent submitted that the Domain Name consists of common and descriptive words: 'Gleneagles', which is the name of a town/place in which his apartment resides and 'Apartments' which is the common name for a type of accommodation. Thus, the Respondent submitted, no Rights can and do arise in those words.
- 6.6 However, the definition of Rights expressly includes a reference to "descriptive terms which have acquired a secondary meaning". Contrary to the Respondent's submission, the Expert considers that the Name itself is capable of being distinctive; the combination of the words 'Gleneagles' and 'Apartment' is not generic and is not a usual combination in the English language. Further, the Expert considers that such words together have acquired a secondary meaning as understood by the definition of Rights, in that consumers have come to recognise the Name as indicating the services of the Complainant.
- 6.7 Relevant to this consideration is that, based on evidence provided to the Expert by the Complainant, the Complainant was using the Name from 2007 to signify his Gleneagles Village apartment rental business (the Complainant provided as evidence a 2007 promotion flyer from *Cliath Holidays* advertising the Apartment, a 2007 advert for "Golfers' Accommodation in Perthshire" also advertising the Apartment). Therefore, the Expert considers that the Complainant has used the Name for a 'not insignificant' period.³
- 6.8 In addition, the Expert considers that the use of the Name by the Complainant has been to 'a not insignificant degree'. As mentioned above, the Complainant has: run his business using the Name since 2007; registered the Name as a *.co.uk* domain name in 2007; advertised the Apartment on the Internet and through the Scottish Tourist Board using the Name; and, generated sufficient income to keep his business running and, based on evidence provided to the Expert by the Complainant, upgrade the Apartment's internal fixtures/fittings.
- 6.9 Therefore, the Expert considers that, on the balance of probabilities, the Name serves to indicate to the purchasing public, being those looking to rent an apartment in Gleneagles Village, Perthshire (the 'relevant geographic area'),⁴ the services of the Complainant. In this regard, the Expert notes feedback from previous customers of the Complainant's provided by the Complainant whereby those customers claim that they

³ For an explanation of the importance of the phrase 'not insignificant period', and the phrase 'not insignificant degree' which is discussed in paragraph 6.8, please see paragraph 2.2 of Nominet DRS Experts' Overview http://www.nominet.org.uk/sites/default/files/drs_expert_overview.pdf.

⁴ The case of *Redwood Tree Services Ltd v Warren Apsey t/a Redwood Tree Surgeons* [2011] EWPC 14) supports the fact that small businesses with only local custom can generate Goodwill in a localised geographic area sufficient to successfully prevent third parties from passing off in that area.

would rent the Apartment again. The Expert also notes that the Complainant has been associated with the Scottish Tourist Board since 2007, achieving a four star rating from them for the Apartment.

- 6.10 As a consequence, the Expert considers that, on the balance of probabilities, the Complainant has generated goodwill and reputation in the Name sufficient to give rise to unregistered trade mark rights in respect of the Name.⁵
- 6.11 Also, and disregarding the generic *.co.uk* suffix at the end of the Domain Name, the Expert considers that the Name is substantially identical (and certainly similar) to the Domain Name, given that the only difference between both is the use of the "s" pluralisation at the end of the Domain Name.
- 6.12 Thus, based on the reasoning above, as well as the fact that the requirement to demonstrate 'Rights' is not a particularly high threshold (Nominet appeal panel decision, *Seiko-shop* DRS 00248), the Expert considers that at the time of the Complaint, the Complainant had Rights in a Name which is substantially identical (and certainly similar) to the Domain Name.

ii) Abusive Registration

- 6.13 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 has taken unfair advantage of or has been unfairly detrimental to the Complainant's Rights;"

- 6.14 *In relation to i. above* – the Expert considers that it was an Abusive Registration at the time the Domain Name was registered.
- 6.15 The Policy, at paragraph 3, sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. Specifically, paragraph 3 a. i. B. refers to where the Respondent has registered the domain name primarily "as a blocking registration against a name [...] in which the Complainant has Rights;" and paragraph 3 a. i. C. refers to where the Respondent has registered the domain name primarily "for the purpose of unfairly disrupting the business of the Complainant".

⁵ Goodwill has been defined as: "the benefit and advantage of the good name, reputation and connection of a business. It is the attractive force which brings in custom." - *Inland Revenue Commissioners v Muller & Co Margarine Ltd* [1901] A.C. 217 at 223,224.

The Expert considers that there is evidence before him to support both these factors.

- 6.16 While noting the Respondent's submission that he did not know the Complainant and that he chose the words in the Domain Name as they describe the service he provides, given the Complainant's goodwill and reputation in the Name as discussed above and that the Respondent is a direct competitor of the Complainant's (with both their apartments being situated in the same geographic area), the Expert considers that the Respondent would have been well aware of the Complainant and the Name (including the Complainant's .co.uk domain name) at the time of the Respondent's registration of the Domain Name on 25 January 2012.
- 6.17 Indeed, on the balance of probabilities, contrary to the Respondent's suggestion that he chose the pluralisation of the Name because it scored better using Google's keyword tool, the Expert considers that the Respondent specifically chose to register the Domain Name to stop (or 'block') the Complainant from doing so and to benefit from the reputation and goodwill of the Complainant and the Name: to attract to the Website users who were looking to rent the Apartment, in order that those users would instead rent the Respondent's apartment.
- 6.18 In this way, the Expert considers that such action took unfair advantage of, and was unfairly detrimental to, the Complainant's Rights.
- 6.19 In relation to (ii) above – the Expert also considers that it was an Abusive Registration through the use by the Respondent of the Domain Name.
- 6.20 The Policy sets out at paragraph 3 (a) (ii) of the Policy that a factor which may be evidence that the Domain Name is an Abusive Registration is:

“Circumstances indicating that the Respondent is using [...] 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;”

on the balance of probabilities, the Expert considers that there is evidence before him to support this factor.

- 6.21 The Expert considers that anyone accessing the Website thinking it is the Complainant's, due to the use of the Name in the Domain Name, is likely to be confused into thinking that the Website is the Complainant's or that the Website is at least associated with the Complainant. As submitted by the Respondent, he uses the Website to offer for rent an apartment in Guthrie Court, Gleneagles Village, Perthshire; the same geographic location as the Apartment. Also, such a rental service is the same service as that provided by the Complainant.

- 6.22 The Respondent submitted that any visitor "looking at the two sites would be able to tell them apart instantly" for the reasons explained in paragraph 5.2 above, including that the Complainant has the "visual branding of the Scottish Tourist logo on his website" whereas the Website does not, and that the Respondent's apartment is "superior to the Complainant's". Therefore, the Respondent submitted that there would be no such confusion.
- 6.23 However, the Expert is not persuaded by the reasons set out by the Respondent that a person accessing the Website in the expectation that it is the Complainant's would be "able to tell them apart instantly" or even soon realise their mistake. The same service is effectively being offered under the same name and the Expert does not consider it is clear from the websites that each apartment advertised is owned by a different person.
- 6.24 In any event, any 'differences' in the websites do not address the initial confusion of those who access the Website assuming it is either the Complainant's or is connected with the Complainant.⁶ In such circumstances, it does not matter that those accessing the Website would "be able to tell them apart instantly" or even soon realise that the Website is not connected with the Complainant. What is important in this context is that those persons accessing the Website have only done so because of the Complainant's goodwill and reputation in the Name.
- 6.25 Also relevant to this consideration is email correspondence referenced by the Complainant in the Complaint, between him and his Bank, whereby the Bank employee accessed the Website in the mistaken belief it was the Complainant's website.
- 6.26 The Expert considers that the Respondent, by using the Domain Name in this way, has taken unfair advantage of the Complainant's Rights by seeking to rely on the Complainant's goodwill and reputation in the Name to generate web traffic to the Website and, by doing so, diverting potential Complainant customers to the Respondent. Such use of the Domain Name is also unfairly detrimental to the Complainant in that the Complainant would likely lose rental income as a consequence.
- 6.27 Further to what has been discussed above, the Expert has considered whether there is evidence before him to suggest that any of the factors listed at paragraph 4 of the Policy demonstrate that the Domain Name is not an Abusive Registration but does not consider that any are relevant.

7. Decision

- 7.1 The Expert finds that, on the balance of probabilities, the Complainant has Rights in the Name which is substantially identical (and certainly similar) to the Domain Name and that the Domain Name in the hands of the

⁶ For a discussion of the concept of 'initial interest confusion' and recent case-law, please see the English High Court judgment in *OCH-ZIFF MANAGEMENT EUROPE LIMITED and others v OCH CAPITAL LLP and others* [2010] EWHC 2599 (Ch).

Respondent is an Abusive Registration. Therefore, the Expert directs that the Domain Name be transferred to the Complainant.

Signed: Dr Russell Richardson

Dated: 16 April 2013