

# DISPUTE RESOLUTION SERVICE D00013671

# **Decision of Independent Expert**

Paul Kenneth Robins t/a Hotel Celebrity

and

Jeremy Byrski t/a CentralR

## 1. The Parties:

Lead Complainant: Paul Kenneth Robins t/a Hotel Celebrity

47 Gervis Road Bournemouth

Dorset BH1 3DD

**United Kingdom** 

Respondent: Jeremy Byrski t/a CentralR

3 Bath Place Dublin Blackrock

ΙE

CO.DUBLIN Ireland

#### 2. The Domain Name:

<hotelcelebritybournemouth.co.uk>

# 3. Procedural History:

3.1 The procedural history of this matter is as follows:

14 January 2014 12:57 Dispute received 14 January 2014 13:33 Complaint validated

- 14 January 2014 14:53 Notification of complaint sent to parties
- 20 January 2014 08:50 Response received
- 20 January 2014 08:51 Notification of response sent to parties
- 23 January 2014 01:30 Reply reminder sent
- 27 January 2014 11:05 Reply received
- 27 January 2014 11:07 Notification of reply sent to parties
- 27 January 2014 11:07 Mediator appointed
- 30 January 2014 10:37 Mediation started
- 13 February 2014 17:25 Dispute resolved during mediation
- 28 April 2014 17:28 Dispute re-opened
- 28 April 2014 17:29 Mediation failed
- 28 April 2014 17:29 Close of mediation documents sent
- 08 May 2014 16:10 Expert decision payment received
- 3.2 On 9 May 2014 I forwarded a signed statement and declaration to Nominet in the following terms:

"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."

## 4. Factual Background

- 4.1 The Complaint is an individual who owns and manages a hotel with the name "Hotel Celebrity" in Bournemouth. He is also a director and sole shareholder of Hotel Celebrity Limited. According to the publicly available records at Companies House, Hotel Celebrity Limited is registered in England and Wales with company no. 04342548. It adopted its current name on 17 October 2009, although all accounts filed since that date would suggest that it is a dormant company.
- 4.2 The Complainant registered the domain names hotelcelebrity.co.uk and hotel-celebrity.com in early May 2009 and the hotel began operating under the name "Hotel Celebrity" on 1 March 2010. The name of the hotel reflects the fact that each of its rooms has a celebrity theme and that over 650 pictures of celebrities are used throughout the hotel.
- 4.3 On 9 March 2010 the Complainant applied for and subsequently obtained a registered trade mark in class 43 that takes the following form:



- 4.4 On 28 September 2011 the Complainant applied for and subsequently obtained a series of three trade marks with registration no. 2594830 for the words "Hotel Celebrity" (with various forms of capitalisation) in class 43.
- 4.5 The Respondent is an individual who trades under the name "CentralR". "CentralR" provides a hotel reservation site, from the domain name <centralr.com>. The hotels advertised on that site include the Complainant's hotel. The Complainant has from time to time accepted bookings made through the Respondent's website.
- 4.6 The Domain Name was registered on 22 March 2010. It is registered in the name of the Respondent and until November 2013 was used by the Respondent for a micro site promoting the Complainant's hotel.
- 4.7 On 11 November 2013 the Complainant sent an email to the Respondent complaining that a number of people booking through the micro site had mistakenly thought that they were booking a room directly with the Complainant rather than through the Respondent's booking service. The Complainant claimed that the use of the Domain Name and the micro site operating from the domain name amounted to passing off and that his business would no longer accept bookings from the Respondent unless this use of the Domain Name ceased.
- 4.8 In response to that email, the Respondent initially took down the micro site. The Complainant then asked that the Respondent "surrender" the Domain Name. In an email dated 26 November 2013 the Respondent confirmed that the micro site had been taken down, but asked for €1,250 in exchange for the Domain Name.
- 4.9 By December 2013, the micro site was reinstated. However, any person attempting to book the Complainant's hotel through that site, could not do so. A message would be displayed as follows:

"Sorry there is no availability for the selected dates"

The prospective customer would also be presented with a table purporting to summarise the availability of different types of room not only on the dates selected, but also on adjacent dates. For every date and room type the hotel would be described as "Full".

4.10 The following text was also to be found in small print at the bottom of the micro site:

"This Hotel is being proudly marketed by www.Centralr.com. We are an official booking partner of Hotel Celebrity (/). We guarantee you the best available rates"

4.11 No website is operating from the Domain Name as at the date of this decision.

#### 5. Parties' Contentions

## The Complaint

- 5.1 The Complaint in large part sets out the facts already recorded in the factual background in this matter. The Complainant claims only to have become aware of the Domain Name and its use by the Complainant in the summer of 2013 as a result of the Respondent's Google adwords marketing.
- 5.2 The Complainant contends that the statement on the website operating from the Domain Name, that his hotel is full, has been false and extremely damaging to his business.
- 5.3 The Complainant claims that the reason why the Respondent is engaging in such activity is to try and force the Complainant into honouring the terms of a contract with a previous owner of the hotel, at a time when the hotel traded under a different name.
- 5.4 The Complainant also makes various allegations to the effect that he is aware of other hotel businesses that have suffered from the Respondent's registration of domain names incorporating their names.

### The Response

- 5.5 The Respondent claims that the Respondent's business purchased the Domain Name with the consent of the Complainant. This is said to be evidenced by an email exchange between one of the Respondent's staff and one Michael Shoesmith.
- 5.6 The first of the emails relied upon was sent on 11 March 2010 by Mr Shoesmith from an email address using the <qualityhotelbournemouth.com> domain name. In it Mr Shoesmith stated:

"Just to inform you that we are now called Hotel Celebrity (formerly known as the Quality Hotel).

Please can you change this on your website as soon as possible. We are no longer part of the Choice Franchise.

The hotel still has the same management and staff - just a name change! Improvements are on the horizon "

5.7 The Respondent's representative responded on 19 March 2010 with an email which included the following:

"Due to the change of the hotel's name, we will need to change the domain that we use for your hotel's Gold Package.

Therefore, I suggest changing it to: www.hotelcelebritybournemouth.co.uk"

- 5.8 The Respondent does not provide any email or other correspondence from Mr Shoesmith confirming agreement to that suggestion. However, the Respondent does provide a copy of an internal memo or email dated 21 March 2010 recording that this domain name had been agreed and should be purchased.
- 5.9 The Respondent also refers to a later email exchange with Mr Shoesmith in June 2010, this time using an email address incorporating the domain name <hotel-celebrity.com>. In that exchange Mr Shoesmith claimed that the Respondent's business had failed to change the hotel name on its website. This elicited the following response:

"That's correct the name was changed a few months ago. Please find updated profile.

http://www.hotelcelebritybournemouth.co.uk/

Please let me know where you found the old name."

- 5.10 Further, the Respondent claims that the Complainant has provided his business with rooms at the Complainant's hotel, for sales through the Respondent's "system". It provides a series of charts in this respect which are said to show sales since 2010 amounting to over €53,000.
- 5.11 The Respondent also states that the reason why its web site more recently had stated that rooms were not available at the Complainant's hotel was because the Complainant "has removed availability from [the Respondent's] system".
- 5.12 The Respondent also takes issue with the Complainant's allegations related to other hotels.
- 5.13 The Respondent also points out that the Domain Name was registered prior to the date that the first of the Complainant's trade marks proceeded to registration.
- 5.14 The Respondent also claims that it is clear to any person booking a hotel room through it that the person is contracting through an online agent rather than directly with the hotel itself.

#### The Reply

- 5.15 In his Reply the Complainant addresses once again the issue of the Respondent's activities in relation to other hotels.
- 5.16 He then comments on the email exchange between Mr Shoesmith and the Respondent as follows:

"I do not know of the relationship between Michael Shoesmith an employee of the previous operator of the hotel and CENTRALR. Michael Shoesmith was involved in the handover between the old operator and myself and appears to have vastly exceeded any responsibilities he had in that regard.

However it is also very clear that Mr. Shoesmith stopped short when he was asked to approve the use of a domain he clearly had no right or authority to do and that CENTRALR proceeded to set up hotelcelebritybournemouth.com and use it to publicise a passing off website without any agreement from anyone at Hotel Celebrity.

The only individual who can provide such authority is myself"

# 6. Discussions and Findings

#### General

- 6.1 To succeed under the Policy, the Complainant must prove first, that he 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:

**C**R

(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 clearly has registered trade mark rights in the words "Hotel Celebrity". The only sensible reading of the Domain Name is as these words combined with a reference to the town of Bournemouth and the "co.uk" suffix. In the circumstances, the Complainant has a trade mark that is similar to the Domain Name. The Complainant has satisfied the requirements of paragraph 2(a)(i) of the Policy.
- The Respondent makes the point that the mark proceeded to registration after the Domain Name was registered. However, this makes no difference. First, as a matter of UK trade mark law if a UK registered trade mark proceeds to registration it is deemed to have been registered from the date of application. Second (and of more importance so far as these proceedings are concerned), the question whether the requirements of paragraph 2(a)(i) of the Policy are satisfied is to be judged at the time of any complaint. The fact that trade mark rights did or did not exist at the date that a domain name was registered, may be relevant to the question as to whether the domain name was an abusive registration, but it is not relevant so far as paragraph 2(a)(i) of the Policy is concerned.

#### **Abusive Registration**

- 6.5 In this case the Domain Name was clearly chosen because of its associations with the name under which the Complainant's hotel traded and with the intention that it be used for a website that promoted and sold rooms in that hotel. The Respondent intended to earn commission on those sales. If this was done without the consent of the Complainant, this clearly would be registration of a Domain Name which took unfair advantage of or was unfairly detrimental to the Complainant's Rights. However, if this was done with the consent of the Complainant, no question of unfair advantage can arise.
- 6.6 In this case the evidence provided by the Respondent is that there was email correspondence in which the Respondent expressly discussed the registration of the Domain Name with a member of staff of the Complainant. The Complainant complains that the individual concerned had no authority to engage in that conversation or to agree anything with the Respondent. However, the Complainant appears to accept that the relevant individual was authorised to at least some degree to deal with matters associated with the transfer of the business and at one stage was permitted to use an email address that incorporated the "Hotel Celebrity" name.
- 6.7 Further, there is nothing in the email correspondence that might lead the Respondent to believe that Mr Shoesmith had exceeded any authority granted to him. Indeed, precisely the opposite appears to be the case, with that individual being at pains to point out that although the name of the hotel had changed, essentially the business was the same.
- 6.8 The fact that a member of staff of the Complainant had knowledge of the Respondent's intention to register the Domain Name, does not necessarily mean that this member of staff agreed to the registration. However, the

evidence of the Respondent in this respect is consistent with the Respondent's allegation that he did. There is an internal memo that purports to record that agreement. There is also an email of 22 March 2010 to that member of staff in which the Respondent expresses thanks and informs him that the Domain Name will be purchased in the next couple of weeks.

- 6.9 Further and crucially, there is no positive evidence from the Complainant that Mr Shoesmith did not agree to the Respondent's suggestion. It is the Complainant that bears the burden of proof under the Policy and in the absence of such evidence, the Complainant has failed to show that the initial registration of the Domain Name was abusive.
- 6.10 However, the Complainant can also succeed in these proceedings if, regardless of whether the registration itself was abusive, he can show that the way in which the Domain Name has subsequently been used is abusive.
- 6.11 In that regard, I accept the Complainant's contention that the overall impression that one would have got from the "micro site" operating from the Domain Name, is that it was the main website of the hotel. There was "small print" at the bottom of the page that refers to the Respondent, but it is questionable whether internet users would notice this, and even if they did notice it does not follow that they would fully appreciate that they were dealing with an independent agent.
- 6.12 In the absence of the Complainant's consent, such use of a domain name incorporating another's trade mark would be abusive.
- 6.13 On the issue of consent the Respondent points to the correspondence with Mr Shoesmith, which mentions the Respondent's "Gold Package". He also provides material describing its "Gold Package". This refers to the Respondent creating "an exclusive new website based on your hotel's Unique Selling points". It also states "Using an agreed domain name, we'll create an easy-to use search engine optimised website for your hotel".
- 6.14 What is missing from the material relied upon by the Respondent is any evidence that the Complainant was made aware of or ought to have been aware of what the Gold Package actually constituted. The Complainant accepted bookings that had been made through the Respondent, but given that the hotel was also being marketed through the Complainant's main CentralR website, that is far from conclusive.
- 6.15 Nevertheless, ultimately it is not necessary to decide whether the Complainant did or did not agree to the Respondent's use of the Domain Name for the micro site. The reason is that by November 2013, the relationship between the Complainant and the Respondent fundamentally changed.
- 6.16 At that point the Complainant refused to supply the Respondent with more rooms and demanded that the micro site be taken down. The Respondent

- took the site down but in response to a further request that the Domain Name be transferred, sought payment of €1,250.
- 6.17 Paragraph 3(a) of the Policy sets out a non-exhaustive list of factors which may be evidence that the Domain Name is an Abusive Registration. One of these factors is as follows:
  - "(v) 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 renewal of the Domain Name registration."
- 6.18 If (as the Respondent contends) the Domain Name was registered and initially used pursuant to an agreement with the Respondent, it follows that the Domain Name was registered as a result of a relationship between the parties. The Domain Name has also been used exclusively in connection with the Complainant's business. Of course, it is the Respondent, and not the Complainant that has actually been using the Domain Name, but that use was in a way that (subject to the use of "small print" as described earlier) looked as if this was the Complainant's own site and on which no other hotel was advertised. Similarly, although the Complainant's business did not directly pay for the registration of the Domain Name, it has effectively paid for the registration via the fees paid to or retained by the Respondent in respect of bookings made by the Respondent.
- 6.19 Therefore, the situation here, although it does not fall within the wording of paragraph 3(a)(v) of the Policy, is arguably analogous with it.
- 6.20 Further, and in any event, once the Domain Name was no longer being used pursuant to any contractual arrangement between the Complainant and the Respondent, it is difficult to see how there might be any legitimate use of the Domain Name that was unconnected with the Complainant's marks and business. There is no suggestion that there is more than one "Hotel Celebrity" in Bournemouth.
- 6.21 Given this I am of the view that in the absence of any express agreement that the Respondent could continue to hold the Domain Name after it ceased to be used for the micro site (and no such agreement has been alleged), then for the Respondent to continue to hold the domain name amounts to abusive registration.
- 6.22 I am conscious of the fact that after the micro site was taken down in November 2013, it was subsequently for a short period of time reinstated, even though the Respondent had not been allocated and could not sell any rooms. However, I do not think this assists the Respondent. The reason is that the evidence I have seen supports the Complainant's contention that at that time the Respondent did not just inform internet users that no

rooms were available through that site, but went further and indicated that the hotel was "full" even though it was not.

- 6.23 I accept the Complainant's contention that this would have been detrimental to its business and marks. Internet users thinking that the hotel was full, many of whom may have been unaware that the site they were using was not the main site of the Complainant, would then have been discouraged from making a booking with the Complainant. It is also inherently improbable regardless of what contractual arrangement was or had been in place between the Complainant and the Respondent, that it would have been part of those terms that the Respondent be permitted to make false statements of this sort about the Complainant's hotel (and once again the Respondent does not at any point allege that it was contractually permitted to do this).
- 6.24 In the circumstances, the Complainant has been able to show that at least from November 2013, the Domain Name has been used in a manner that amounts to an abusive registration in accordance with paragraph 2(a)(ii) of the Policy.
- 6.25 In coming to that conclusion I am obviously making no finding as to whether the Respondent has any contractual claim against the Complainant in respect of the way in which the business relationship was terminated. That is not a matter for these proceedings.

#### 7. Decision

- 7.1 I find that the Complainant has Rights in a trade mark, 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: 27<sup>th</sup> May 2014