

DISPUTE RESOLUTION SERVICE

D00012811

Decision of Independent Expert

Staycity UK Ltd

and

Citystay Limited

1. The Parties

Complainant: Staycity UK Ltd
c/o Staycity Ltd
First Floor
14-16 Lord Edward St
Dublin
D2
Ireland

Respondent: Citystay Limited
14 Hertford Street
Cambridge
Cambridgeshire
CB4 3AG
United Kingdom

2. The Domain Name

staycity.co.uk ('the Domain Name')

3. Procedural History

Nominet checked that the complaint dated and received on 9 May 2013 complied with its UK Dispute Resolution Service ('DRS') Policy ('the Policy') and the Procedure for the conduct of proceedings under the Dispute Resolution Service ('the Procedure'). It then notified the Respondent of the complaint, inviting it to file a response. No response was received. Informal mediation not being possible, Nominet advised both parties that the matter would be referred to an independent expert for a decision, on payment of the appropriate fee. That fee was received on 14 June.

On 14 June 2013 I, Mark de Brunner, agreed to serve as an expert under the Policy and Procedure. I subsequently confirmed that I am independent of each of the parties and that there are no facts or circumstances that might call into question my independence.

4. Factual Background

I have visited the web page to which the Domain Name resolves, the Respondent's website at citystayuk.com and the Complainant's website at staycity.com. From the complaint, those visits and the administrative information routinely supplied by Nominet, I accept the following as facts.

The Complainant provides short-term accommodation in the form of serviced apartments. It was incorporated in February 2008 to carry on a business that had begun in Dublin in 2004 (conducted through a company called Staycity Limited, registered in 2003) and that had subsequently expanded into the UK (through Staybirmingham Ltd, established in August 2006) and beyond. The Complainant now offers accommodation in Liverpool, Manchester, Edinburgh, London and Paris. It is one of the largest providers of serviced apartments in the UK, with over 170 employees. Turnover in 2012 was more than £15m.

The Complainant holds a registration for the name 'staycity' as a Community trade mark. It registered the domain name staycity.com in July 2003 and gets most of its bookings online.

The Domain Name was registered in April 2009. The Respondent is in the same business as the Complainant, though the accommodation on its books appears to be limited to serviced apartments in Cambridge, UK: it has a website advertising these at citystayuk.com.

Until recently, internet traffic for the Domain Name was redirected to the Respondent's website at citystayuk.com. The Complainant first noticed that in September 2012. The Respondent initially agreed to stop the redirection but it was restarted within a few weeks. When the Complainant contacted the Respondent again, the redirection was once more turned off. The Domain Name now resolves to a page of listings for goods and services related to staycity.co.uk. The version of that page included with the complaint contains

links to hotels and holiday sites – including those run by competitors of the Complainant.

Google searches for staycity.co.uk return a link to the Domain Name ahead of a link to the Complainant's domain name staycity.com. Between 1 January 2013 and 30 April 2013, the Complainant received at least 49 visits to its website at staycity.com from people who had searched on the term 'staycity.co.uk'.

5. Parties' Contentions

Complaint

The Complainant says that it has rights in a name that is identical to the Domain Name.

It argues that the Domain Name is an abusive registration because potential customers are being redirected either to the Respondent or to another of the Complainant's competitors.

Response

There has been no response.

6. Discussions and Findings

To succeed in this complaint, the Complainant must prove, on the balance of probabilities, 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.

Rights

Through its Community trade mark, the Complainant has registered rights in the name 'staycity'. It has been using that name for several years. It is clear that it will have built up goodwill in the name and will therefore have established unregistered rights in 'staycity' too.

Ignoring the .co.uk suffix as simply a characteristic of the domain name register, the Domain Name is 'staycity'.

I conclude that the Complainant has rights in a name that is identical to the Domain Name.

Registration

As defined by the Policy, an abusive registration is a domain name which:

- 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
- has been used in a manner which has taken unfair advantage of or has been unfairly detrimental to the Complainant's rights.

The Policy contains a non-exhaustive list of factors that may be evidence that a domain name is an abusive registration. The complaint is founded on two of those factors in particular. The Complainant effectively says that the Respondent's use of the Domain Name is disrupting its business, because internet traffic intended for it is being diverted to its competitors. It also implies that potential customers are likely to be confused into believing that the Domain Name is connected with the Complainant.

Both arguments seem to me to be sound. The Complainant has been trading using the name 'staycity' since before the Respondent registered the Domain Name. The Respondent has consistently used the Domain Name to redirect traffic either to its own, related, business or to the Complainant's other competitors. The *DRS Experts' Overview* (section 3.3) says:

Commonly, Internet users will visit web sites either by way of search engines or by guessing the relevant URL. If the domain name in dispute is identical to the name of the Complainant and that name cannot sensibly refer to anyone else, there is bound to be a severe risk that a search engine, which is being asked for the Complainant, will produce high up on its list the URL for the web site connected to the domain name in issue. Similarly, there is bound to be a severe risk that an Internet user guessing the URL for the Complainant's web site will use the domain name for that purpose.

In such cases, the speculative visitor to the registrant's web site will be visiting it in the hope and expectation that the web site is a web site "operated or authorised by, or otherwise connected with the Complainant." This is what is known as 'initial interest confusion' and the overwhelming majority of Experts view it as a possible basis for a finding of Abusive Registration, the vice being that even if it is immediately apparent to the visitor to the web site that the site is not in any way connected with the Complainant, the visitor has been deceived. Having drawn the visitor to the site, the visitor may well be faced with...a commercial web site, which may or may not advertise goods or services similar to those produced by the Complainant. Either way, the visitor will have been sucked in/deceived by the domain name.

Findings of Abusive Registration in this context are most likely to be made where the domain name in issue is identical to the name or mark of the Complainant and without any adornment (other than the generic domain suffix).

Here, there is clear potential for disruption to the Complainant's business, as well as for confusion.

The Respondent has not taken the opportunity to respond, but there is perhaps an argument that the Domain Name, made up of the two elements 'stay' and 'city', is generic. The Policy lists that as one factor that might point towards the conclusion that a domain name is not an abusive registration. But even generic names must be used fairly and, in halting the redirection, the Respondent itself appears to have agreed the potential for confusion or disruption that is unfair.

In my judgement, the use of the Domain Name to direct potential customers of the Complainant to the Complainant's competitors, can only take unfair advantage of the Complainant's rights. That appears to me to colour the Respondent's registration of the Domain Name at the outset, too.

I conclude that in both registration and use of the Domain Name, the Respondent has taken unfair advantage of the Complainant's rights.

7. Decision

I find that the Complainant has rights in respect of a name which is identical to the Domain Name and that the Domain Name, in the hands of the Respondent, is an abusive registration.

In the light of that, I direct that the Domain Name be transferred to the Complainant.

Mark de Brunner

9 July 2013