

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

Decision of Independent Specialist

Case Number: 616

1. The Parties:

| | |
|---------------------|---------------------------------|
| Complainant: | Oldside Enterprises Ltd. |
| Respondent: | Tool Domains OOD |

2. The Domain Name(s):

| | |
|---------------------------|----------------------------|
| seapointleisure.ie | ("the Domain Name") |
|---------------------------|----------------------------|

3. Procedural History:

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 such a nature as to call in to question my independence in the eyes of one or both of the parties.

The procedural history is as follows:

| Action | Comment / date |
|--|--|
| Dispute received | 13 th May 2021 |
| Complaint validated | 13 th May 2021 |
| Notification of complaint sent to Complainant | 14 th May 2021 |
| Notification of complaint sent to Respondent | 14 th May 2021 |
| Reminder sent to respondent | 26 th May 2021 when Complaint posted 1 st June 2021 7 th June 2021 after unsuccessful phone calls 14 th June 2021 |
| Phone calls to respondent | 7 th June at 15:00 and 15:10 – no answer Email sent for the attention of Metodi Darzev, one of the company founders 8 th June 2021 14:20, spoke to Kalin Karakehayov, who informed us that he plans to respond after he has spoken to his legal advisor. NetNeutrals reminded him that the Forum will close in 1 week. |
| Letter sent to respondent | |
| Forum Opened | 21 st May 2021 |

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

| Action | Comment / date |
|-------------------------------|--------------------------------------|
| Complaint Form received | 26 th May 2021 |
| Response received | 15 th June 2021 |
| Forum Closed | 16 th June 2021 @ 5pm BST |
| Adjudication Started | 17 th June 2021 |
| Adjudication Decision Posted | 23 rd June 2021 |
| Specialist Decision published | 23 rd June 2021 |

4. Factual Background

The Complainant is an Irish registered company, number 127311, which operates an amusement arcade and related businesses in Salthill, Galway under the trading name Seapoint Leisure. It held the domain name seapointleisure.ie until 19 May 2019 when it allowed the domain name to lapse. The domain name was registered on 21 May 2021 by the Registrant, which is a domain name trader and domain name research provider.

5. Parties' Contentions

Complaint

A summary of the Complaint is as follows:

The Complainant states that:

- It has traded under the name Seapoint Leisure continuously from 1987, registered the domain name in 2009 and has advertised its website at seapointleisure.ie from 2011.
- It has significant brand recognition under that name both locally and at national level due to its prominent seafront premises in Galway and advertising spend, and therefore has a common law trademark in the name.
- The domain name was registered and used in bad faith by the Registrant, in that (a) the Registrant has engaged in a pattern of registrations that include trademarks or other well-known names that the Domain Holder has no obvious connection to or interest in, evidenced by adverse findings against it under the .ie Dispute Resolution Policy and others, (b) the Registrant offered to transfer the domain name to them for €1,600, failing which it would be offered to their competitors, (c) the Registrant used the domain to advertise online casino and bingo websites, (d) the Complainant has suffered business disruption due to its inability to access its business emails connected to the domain, and (e) the Complainant has lost customers who believe that it is affiliated with offshore casinos which have been advertised on the parking page for the domain.

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

Response

A summary of the Response is as follows:

The Registrant does not directly engage with the elements of the Alternative Dispute Resolution Policy but states that:

- “We have been contacted back in 2019 by the Complainant regarding the domain name seapointleisure.ie. As a gesture of goodwill and understanding of the situation we have offered to return the domain against costs covering fees. The Complainant refused our proposal and did not contact us for more than two years. During this time, the Respondent clearly showed that they are no longer interested in retrieving the domain by discontinuing any communication with us. Nor did they seek any legal aid to dispute our ownership.”
- “As a large domain investor for the past 4 years we have registered approximately 630,000 domains. We are by no means interested in purposefully discrediting brands, nor acquiring domains with trademark names. We are operating our business with aiming to catch only generic value domains. If a small fraction of the domains we operate with includes trademarks, this is merely a fault of their owner, who let them expire and/or by accident as it's hard to check all domains for all possible trademark similarities.”
- “As a company operating on such a big scale, the disputes we have been involved in are only 0.0022% of all our domain registrations (1 in 22000, which is far less than the average ratio among all existing domains and all existing disputes).”

6. Discussions and Findings

Under paragraph 4.1 of the Alternative Dispute Resolution Policy (“ADRP”) the burden of proof is on the Complainant who must prove three elements, specifically that:

- A. the Complainant would ordinarily be eligible to register the domain name in question if it was not already registered by the Registrant, and
- B. the Complainant
 - (i) has rights in the domain name or in marks or identifiers very similar to it, or
 - (ii) the Complainant’s rights have been negatively impacted by the registration, and
- C. the registration of the domain should be revoked as it has been registered or used abusively or in bad faith.

A. Complainant Eligibility to Register the Domain Name

The Complainant is an Irish company and would be eligible to register the domain name if it was not already registered.

B. Complainant’s Rights in the Domain Name

(i) Rights in the domain name or in marks or identifiers very similar to it

Paragraph 4.1.B(i) of the ADRP defines the term “right”, as far as relevant to this case, providing that:

Any legal or other enforceable right can be considered, including but not limited to:

- Unregistered rights acquired through use.

Unregistered rights acquired through use

To establish an unregistered right, a complainant must show that it would be entitled to bring an action for passing off in relation to the disputed domain name. This requires that the complainant runs a business on the island of Ireland and has goodwill in this business, and that the unregistered trade mark is a distinctive identifier of that business. (See Case No. DIE2013-0002, *Budget Energy Limited (Budget Energy ROI) and Budget Energy Limited (Budget Energy NI) v. Prepay Power Limited.*)

For guidance regarding whether there is the necessary goodwill and whether an unregistered trade mark is a distinctive identifier the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Third Edition (“WIPO Overview 3.0”) can be taken into account except where the .IE policy or Irish law differ (see e.g. Case No. DIE2019-0001, *Puma SE v. Stephen Connell, Puma Transport Ireland Limited*).

.ie Alternative Dispute Resolution

NETNEUTRALS DISPUTE RESOLUTION SERVICE

Paragraph 1.3 of the WIPO Overview 3.0 provides as follows:

What does a complainant need to show to successfully assert unregistered or common law trademark rights?

To establish unregistered or common law trademark rights for purposes of the UDRP, the complainant must show that its mark has become a distinctive identifier which consumers associate with the complainant's goods and/or services.

Relevant evidence demonstrating such acquired distinctiveness (also referred to as secondary meaning) includes a range of factors such as (i) the duration and nature of use of the mark, (ii) the amount of sales under the mark, (iii) the nature and extent of advertising using the mark, (iv) the degree of actual public (e.g., consumer, industry, media) recognition, and (v) consumer surveys.

(Particularly with regard to brands acquiring relatively rapid recognition due to a significant Internet presence, panels have also been considering factors such as the type and scope of market activities and the nature of the complainant's goods and/or services.)

Specific evidence supporting assertions of acquired distinctiveness should be included in the complaint; conclusory allegations of unregistered or common law rights, even if undisputed in the particular UDRP case, would not normally suffice to show secondary meaning. In cases involving unregistered or common law marks that are comprised solely of descriptive terms which are not inherently distinctive, there is a greater onus on the complainant to present evidence of acquired distinctiveness/secondary meaning.

The Complainant has provided evidence that it has traded under the name Seapoint Leisure since 1987. It has provided invoices and financial records indicating that it spent €55,000 in advertising and sponsorship over the period 2019-2020, and that it sponsors Knocknacarra GAA Club with branding on the club kit and pitch signage. It has provided references from 2011 onwards to news articles in the Galway Advertiser and Hot Press websites, in which the terms Seapoint and Seapoint Ballroom are used to refer to its premises. It has also provided evidence of significant expenditure on its physical premises including extensive on street branding under the name Seapoint Leisure.

The Registrant has not challenged this evidence or argued that the term Seapoint Leisure is generic or not inherently distinctive.

I accept the Complainant's evidence and find that it has the necessary goodwill and the term is a distinctive identifier so that consumers in the relevant market would associate the term with it.

(ii) Complainant's rights negatively impacted by registration

It is not necessary to consider the alternative ground that the Complainant's rights have been negatively impacted by the domain registration.

C. Domain Used or Registered Abusively or in Bad Faith

Under paragraph 4.1 of the ADRP the Complainant must in every case prove that “the registration of the domain should be revoked as it has been registered or used abusively or in bad faith”. These terms are defined in paragraph 1 of the ADRP which provides that:

“Abusively registered” refers to a domain name which was registered or used to take unfair advantage of or was unfairly detrimental to the Complainant's Rights; [and]

“Bad Faith” means a domain name which was registered or used without legitimate intent, and/or to engage in deceptive conduct [...]

Paragraph 4.1.C of the ADRP includes a non-exhaustive list of examples of abuse and bad faith, and as far as is relevant to this case provides that:

A Complainant can demonstrate that the domain has been registered or is being used Abusively or in Bad Faith by the Registrant if it can provide evidence that [...]

- The domain name was registered or is being used with the primary purpose of selling or renting it specifically to the Complainant (or a competitor) for more than the Registrant paid for it, or
- The domain name was registered or is being used with the primary purpose of preventing the Complainant registering a name or mark in which the Complainant has rights, or
- The domain name was registered or is being used with the primary purpose of unfairly disrupting or interfering with the Complainant's business, or
- The domain name is being used in a way that is likely to confuse people or businesses into believing that it is registered to, operated or authorised by, or otherwise connected with the Complainant, or [...]
- The domain name is registered to a Registrant which does not have (and never had) a connection to the island of Ireland, or

Paragraph 4.1 further provides that:

Failure by the Registrant to use the Domain Name for the purposes of email or a web site, the Registrant offering a domain name for sale, or use of domain parking services that may include advertising related to the keyword content of the domain name are not of themselves evidence of abuse or bad faith, however the Specialist may consider these issues in combination with other factors when deciding a case.

Finally, paragraph 4.2.A provides that a Registrant can demonstrate that a registration is not abusive or in bad faith if:

Prior to any notice of the dispute, the Registrant used the domain name or a name reasonably corresponding to the Domain Name in connection with a bona fide offering of goods or services or made demonstrable preparations for such use.

In this case the Complainant argues primarily that the domain was registered or used by the Registrant in bad faith for the purpose of reselling it to the Complainant at a profit. While the Registrant states that “As a gesture of goodwill and understanding of the situation we have offered to return the domain against costs covering fees”, the Complainant has provided

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

evidence that the Registrant sought payment of €1600 which is far in excess of any registration fees or other costs. The Complainant also provided evidence that the Registrant stated that it would sell the domain to other “high profile buyers in the industry” and I accept that this is a threat to sell the domain to a competitor. I note that the Registrant has not sought to show any use of the domain name in connection with a bona fide offering of goods or services. I also take into account the fact that the Registrant has not put forward any evidence of ever having any connection to the island of Ireland.

The Registrant has stated that it does not set out to register trademark names, that it aims to catch only generic domains, and that if “a small fraction of the domains we operate with includes trademarks, this is merely a fault of their owner, who let them expire and/or by accident as it's hard to check all domains for all possible trademark similarities. As a company operating on such a big scale, the disputes we have been involved in are only 0.0022% of all our domain registrations.”

Against that, the Complainant alleges a pattern of abusive registrations by the Registrant and has identified 14 cases which have been the subject of dispute resolution under the relevant TLD policies in each of which the Registrant was found to have registered and/or used the disputed domain name in bad faith. A selection of these are set out in the following paragraphs, with relevant portions of the decisions quoted:

Case No. DIE2020-004, Commission for Communications Regulation v. Metodi Darzev, Tool Domain OOD (AskComreg.ie)

[T]he Registrant has used the disputed domain name for a website with a blog purportedly written by a regulatory body that is almost certainly bogus, not least because it is unnamed. Most likely the website at the disputed domain name was designed to profit from the substantial traffic to the Complainant's old website at the disputed domain name by means of pay-per-click links. In any case, the Panel is satisfied that the website's allusion to a regulatory body for electronic communications, as well as its “askcomreg.ie / Communications Regulation” branding was intended, for illicit purposes, to confuse the, likely, many visitors seeking the Complainant's information website into thinking that the Registrant's website was somehow connected with the Complainant, with potential damage to the Complainant's reputation as a result.

Case No. DNU2019-0006, Credit Agricole SA v. Metodi Darzev, Tool Domains Ltd (credit-agricole.nu)

The disputed domain name was registered many years after the Complainant first registered its CREDIT AGRICOLE trademark. The evidence on the record provided by the Complainant with respect to the use of its CREDIT AGRICOLE trademark, combined with the absence of any evidence provided by the Respondent to the contrary, is sufficient to satisfy the Panel that, at the time of registration of the disputed domain name, the Respondent knew of the Complainant's trademark and knew that it had no rights or legitimate interests in the disputed domain name. Furthermore, the evidence on the record provided by the Complainant with respect to the Respondent's use of the disputed domain name indicates that the Respondent has used the disputed domain name to attract, for commercial gain, Internet users to a website by creating

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

confusion in the minds of the public as to an association between the website and the Complainant.

Case No. DRO2019-0012, *Bulgari S.p.A. v. Tool Domains Ltd (bvlgari.ro)*

In the present case, the Complainant is the owner of the BVLGARI trademark that enjoys a significant reputation. The Complainant has no business or other relationship with the Respondent. The Complainant thus has made a prima facie case showing that the Respondent has no rights or legitimate interests in the disputed domain name. The Respondent did not object to these assertions. To the contrary, the Respondent expressly acknowledges that it has registered over 600,000 domain names over the last years and been involved in hundreds of disputes; these assertions, coupled with its offer to sell the disputed domain name to the Complainant in consideration for EUR 250 and its registration of further well-known trademarks belonging to third parties as domain names, blatantly demonstrate its lack of legitimate interest in the disputed domain name...

Bad faith requires the respondent to be aware of the complainant's trademarks. In the present case, the Complainant's "BVULGARI" trademarks enjoy a strong reputation. Considering this strong reputation, there is no doubt that the Respondent was well aware of the Complainant's trademark when it registered the disputed domain name.

The use of the disputed domain name further clearly reflects a use in bad faith on several accounts: first, the disputed domain name has been offered for sale to the Complainant for EUR 250, an amount in excess of the out-of-pocket costs resulting from such registration. Second, the Respondent acknowledges to have been engaged in hundreds of disputes and currently holds other domain names consisting of third parties well-known trademarks such as <amstel.ro>, <giorgioarmani.ro>, <logitech.uk> and <oakleysunglasses.org.uk>. Finally, considering the strong reputation enjoyed by the Complainant's BVULGARI trademark, one cannot contemplate any legitimate and good faith use that could be made by a third party.

Case No. DNU2019-0003, *Boursorama S.A. v. Metodi Darzev, Tool Domains Ltd (boursorama.nu)*

The Respondent was using without permission the Complainant's distinctive trademark in order to get traffic on its web portal and to obtain commercial gain from the false impression created for Internet users with regard to a potential affiliation or connection with the Complainant.

Also, paragraph 4(b)(i) of the Policy lists a circumstance of bad faith registration and use when the respondent has acquired the domain name primarily for the purpose of selling or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or to a competitor of that complainant, for valuable consideration in excess of the documented out-of-pocket costs directly related to the domain name.

The disputed domain name is identical to the Complainant's reputable trademark. At the time of filing the Complaint on the website corresponding to the disputed domain name there was an add [*sic*] in French language, where the Complainant has significant presence for two decades, offering the disputed domain name to public sale. Such use is, along with the other factors in this case, an evidence of bad faith use.

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

Case No. DGE2018-0002, *Carrefour v. Tool Domains Ltd* (carrefour.com.ge)

The Panel finds that the Domain Name was registered and is being used in bad faith.

In light of the evidence filed by the Complainant and the absence of a response, the Panel finds that the Complainant's Trademark and activities are well known throughout the world. Accordingly, in the Panel's view, the Respondent must have been aware of the Complainant's existence and rights when it registered the Domain Name.

As discussed in section 6B of this Decision, the Website includes various pay-per-click links. These links refer to the Complainant and its activities. Therefore, the Respondent has intentionally attempted to attract, for commercial gain, Internet users to its website or other online location, by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement of the Respondent's website or location or of a product or service on the Respondent's website or location.

Case No. DNU2020-0001, *Skyscanner Limited v. Metodi Darzev, Tool Domains Ltd* (skyscanner.nu)

Redirecting the disputed domain name which is confusingly similar to Complainant's SKYSCANNER trademark to a typical PPC website which shows a variety of hyperlinks to active third parties' websites (including even some of Complainant's direct competitors in the online travel industry) for the purpose of generating PPC revenues, is a clear indication that Respondent intentionally attempted to attract, for commercial gain, Internet users to its own website by creating a likelihood of confusion with Complainant's SKYSCANNER trademark as to the source, sponsorship, affiliation or endorsement of this website. Such circumstances are evidence of registration and use of the disputed domain name in bad faith within the meaning of paragraph 4(b)(iv) of the Policy.

In connection with this finding, it also carries weight in the eyes of the Panel that Respondent obviously has been a party to a number of UDRP proceedings in the past, all of which concerned domain names under the ccTLD ".nu" and all of which found against Respondent (see, e.g., *Natixis v. Metodi Darzev / TOOL DOMAINS LTD*, WIPO Case No. DNU2019-0008; *Credit Agricole SA v. Metodi Darzev, Tool Domains Ltd*, WIPO Case No. DNU2019-0006; *Boehringer Ingelheim Pharma GmbH & Co. KG v. Metodi Darzev, Tool Domains Ltd*, WIPO Case No. DNU2019-0004, et. al.). Also, this Panel has noted that Respondent refused to accept delivery of the Written Notice on the Notification of Complaint dated March 4, 2020. These facts taken all together at least throw a light on Respondent's behavior which supports the Panel's bad faith finding.

Case No. DNU2019-0008, *Natixis v. Metodi Darzev / Tool Domains Ltd* (natixisbank.nu)

Because the Complainant's mark is well-known, it is implausible to believe that the Respondent was not aware of that mark when it registered the disputed domain name. Use of the word "bank" in the disputed domain name indicates the Respondent targeted the Complainant and its trademark – the Complainant is in the financial space. In the circumstances of this case, such a showing is sufficient to establish bad faith registration of the disputed domain name.

.ie Alternative Dispute Resolution
NETNEUTRALS DISPUTE RESOLUTION SERVICE

The Complainant also places particular reliance on an email sent by the Registrant in the context of Case No. DRO2019-0012, *Bulgari S.p.A. v. Tool Domains Ltd* (bvlgari.ro) in which it said that:

Hi, we have registered 600 000 domains in the past 3 years and been through hundreds of disputes...

We do not give away domains for free and if you continue to waste my time with pointless letters we'll register 100 domains for each brand you protect (of which it's super easy to get a list because we have reverse engineered zone files for all TLDs and you as registrar are visible on all your client domains just for fun.

Contrary to the Registrant's argument that it seeks to register only generic domain names, these cases show a blatant and ongoing pattern of bad faith registration and use of domain names on the part of Tool Domains Ltd. including the registration of prominent international trademarks and the names of financial institutions, with the pattern of bad faith continuing even after the initiation of a dispute resolution process.

Taking all these factors into account, I therefore find that the Complainant has met its burden of proof and has established that the domain name has been registered and used in bad faith.

In light of this finding I do not need to consider the additional arguments made by the Complainant in relation to disruption of its business and consumer confusion.

7. Decision

For the foregoing reasons the Complaint is upheld and I direct that the domain name be transferred to the Complainant.

Signed: **Dr. TJ McIntyre**

Dated: **23 June 2021**