

# **The Ritz-Carlton Hotel Company L.L.C. v. Mr. Boaz Bar Lavy:**

## **IL-DRP Panel Decision**

### **1. The Parties**

The Ritz-Carlton Hotel Company L.L.C., represented by Advocate Eitan Shaulsky and/or Advocate and Patent Attorney Stanford T. Colb and/or Advocate David Colb and/or Advocate Inbal Navot-Eisenthal

The Respondent is Boaz Bar Lavy.

### **2. The Domain Name and Registrar**

The disputed domain names < ritzcarlton.co.il > and < ritz-carlton.co.il > are registered with the Israel Internet Association ("**ISOC-IL**") (shall be referred to hereinafter and alternatively as "**Disputed Domain Names**" or "**Disputed Names**" or "**Disputed Domains**").

### **3. Procedural History**

The Complaint was filed with the ISOC-IL on March 28<sup>th</sup> 2011; The Complaint was transmitted to the Israeli Dispute Resolution Panel of ISOC-IL ("**IL-DRP**") under the IL-DRP Rules ("**Rules**").

On April 4<sup>th</sup> 2011, the IL-DRP appointed Dr. Yuval Karniel as the sole panelist.

In accordance with the Rules, the Panel transmitted to the Respondent by e-mail on April 5<sup>th</sup> 2011, a copy of the Complaint with documentation attached, providing the Respondent 15 days to respond to the Complaint. The Respondent did not submit a response to the Complaint within the allotted time frame.

### **4. Factual Background**

On December 2<sup>nd</sup> 2009, the Disputed Domain Names were assigned to the Respondent.

The Complainant is an independently operated division of Marriot International and the owner of the "RITZ CARLTON" Trademark. The Complainant operates one of the world's most well-known and extensive hotel, restaurant, and hospitality companies. The Complainant sells, advertises and markets its services under the "RITZ CARLTON" mark.

As of the filing date of the Complaint, a website promoting the sale of domain names was displayed at the Disputed Domains.

On February 22<sup>nd</sup> 2011, the Complainant contacted the Respondent and demanded that the Respondent cease using the Disputed Domains and that he instantly transfer them to the Complainant.

The Respondent proposed to hold a meeting in order to discuss the matters that were presented before him by the Complainant. This meeting was held and recorded at the Complainant's offices on March 9<sup>th</sup> 2011. According to the facts presented before this Panel, among the subject matters discussed at this meeting, an offer was brought up by the Respondent to sell the Disputed Domain Names to the Complainant for "less than US\$18,000...". Further details of this meeting shall be elaborated upon below.

## **5. Parties' Contentions**

### **A. Complainant**

The Complainant argues that the Disputed Domain Names are identical to the Names in which the Complainant has rights.

The Complainant argues that it has rights in the Disputed Domain Names, which are based amongst others on the fact that the Complainant owns registration rights containing or compromised of the Disputed Names in jurisdictions around the world, including a registered trademark in Israel (filed: July 21<sup>st</sup> 2009, published: March 17<sup>th</sup> 2011).

The Complainant further argues that the Respondent holds no rights to the Disputed Domain Names and registered the Disputed Names in bad faith for *inter alia* the following reasons:

- (a) The Respondent registered the Disputed Names, for purposes of selling the Names (as he explicitly advertised at the Disputed Domains) while knowing that they are inherently associated with the Complainant.
- (b) The Respondent registered the Disputed Names, for purposes of blocking the Complainant from using them.

The Complainant further argues that the Respondent is being unjustly enriched at the expense of the Complainant and that the Respondent is misappropriating, diluting and harming the Complainant's goodwill in the trademark.

### **B. Respondent**

The Respondent has not submitted a response to the Complaint in the allotted time.

Let it be noted, that this Panel has taken into account only arguments which are necessary in order to reach a conclusion based upon and in accordance with the IL-DRP Rules and the discussion framework they set forth.

## **6. Discussions and Findings**

The IL-DRP is an alternative dispute resolution procedure intended to provide expedited resolutions to disputes regarding the allocation of domain names in accordance with the

Rules. The Respondent submitted to this Procedure and Rules when he applied for and registered the Disputed Domain Names.

The Rules provide that disputes regarding the registration of a Domain Name by a Holder may be brought by a Complainant on the following grounds:

**A. Same or Confusingly Similar**

It is up to the Complainant to show that the disputed Domain Names are the same or confusingly similar to amongst others, a trademark, a trade name or a registered company name.

The common suffix co.il is ignored for the purpose of determining the similarity between the Disputed Names and the words "RITZ CARLTON" (alongside a hyphen or not) since it is a common suffix showing that the domain name is part of the .il domain and associated with commercial activities (.co suffix). The relevant parts of the Disputed Domain Names are the words "RITZ-CARLTON" or "RITZ CARLTON".

For the removal of any doubt, the omission or adding of a hyphen in domain names is not sufficient to differentiate a Domain Name from a Mark. (*See: The Ritz-Carlton Hotel Company, LLC. v. Club Car Executive Transportation and Dennis Rooney, WIPO Case No. D2000-0611*).

The Complainant is owner of the "RITZ-CARLTON" trademark rights in many countries around the world including, in the U.S. Patent and Trademark Office (1978).

In Israel, the Complainant submitted an application for the registration of the "RITZ-CARLTON" Trademark on July 21<sup>st</sup>, 2009, which was accepted on March 17<sup>th</sup>, 2011.

The Disputed Names fit the definition of a "Well-known Mark" as set forth in the Israeli Trade Mark Act (1972) ("**Trade Mark Act**").

It is therefore the findings of the Panel that the Disputed Domains are the same or confusingly similar to the widely-known name of the Complainant, in which the Complainant has various rights.

**B. Rights in the Name**

Next, it is up to the Complainant to show that the Complainant has rights in the Disputed Domain Names; and that the Respondent does not have rights in the Disputed Domain Names.

The following attest to the rights of the Complainant in the Disputed Domain Names:

- a. The Complainant applied to register the "RITZ-CARLTON" Trademark in Israel on July 21<sup>st</sup> 2009. The Israeli Ministry of Justice accepted the application on March 17<sup>th</sup>, 2011, and published it on March 31<sup>st</sup>, 2011.
- b. The Complainant owns many registration rights in the Disputed Names or in related names throughout the world, including: RITZ CARLTON –

Reg. No. 1,094,823 (issued on the June 27<sup>th</sup> 1978) - registered with the U.S. Patent and Trademark Office.

- c. The Complainant operates one of the world's most well-known and extensive hotel, restaurant and hospitality companies with lodging properties world-wide, employing more than 35,000 employees. The Complainant spends millions of dollars annually to advertise and promote the Company under the Disputed Names.
- d. The Disputed Names constitute a "Well-Known Mark" as the term is defined in Article 1 of the Trade Mark Act. The Trade Mark Act defines a "Well-known Mark" as a designated mark that is well-known in the area in which it is used for the most part, while taking into account the public in Israel and abroad. When a mark reaches a certain extent of public exposure, it shall be protected without taking into consideration if it is a registered trademark or not. Additionally, when deciding that a certain mark is a "Well-known Mark" one must examine, amongst others, how well the mark is known to the certain public and how such awareness stems from marketing efforts. The abovementioned circumstances testify to the fundamental connection between the Complainant and the Disputed Names in the eyes of the public, both in Israel and abroad. Furthermore the extent to which the Complainant has gone to market its services under the Disputed Names, as reflected in both abundant funding and the variety of marketing methods, attests to such connection.
- e. The Complainant is the registrant of the Domain Name "ritzcarlton.com".
- f. The Complainant's rights in the Disputed Name were recognized by the WIPO. (*See: The Ritz-Carlton Hotel Company, LLC. v. Club Car Executive Transportation and Dennis Rooney, WIPO Case No. D2000-0611*).

It is also up to the Complainant to show that the Respondent has no rights to the Name. While the Complainant bears the "general burden of proof" under Rule 3.3, this burden shifts to the Respondent once the Complainant makes a *prima facie* showing that the Respondent lacks rights or legitimate interests in the Disputed Names. (*See: Neusiedler Aktiengesellschaft v. Kulkarni, WIPO Case No. D2000-17699*).

In this case the Panel finds that the Complainant has indeed made a *prima facie* showing that the Respondent has no rights to the Disputed Domain Names within the meaning of Rule 3.3. This finding is based on the following:

- a. The Complainant is the registered owner of the "RITZ-CARLTON" Trademark.
- b. The Disputed Names constitute a well-known mark which is associated solely with the Complainant, as based on the abovementioned.
- c. The Complainant has no relationship whatsoever with the Respondent and has never authorized the Respondent to use the Disputed Domain Names or any other domain name.
- d. The Complainant is known by the general public, under the Disputed Names, whereas the Respondent is unknown by the public under such names.
- e. The Respondent's course of action, as presented before this Panel and shall be elaborated upon further, reflects a fundamental detachment from

the Disputed Domain Names. His actions further demonstrated ulterior motives behind the request for the Disputed Names which did not arise from any legitimate rights or interests in the Disputed Names but rather from the drive for financial gain.

It is therefore the finding of the Panel that the Complainant has rights in the Disputed Domain Name while the Respondent has no rights to the Disputed Domain Name.

### **C. Application and Use in Bad Faith**

Finally it is up to the Complainant to show that the Respondent applied for the allocation of the Disputed Domain Names in bad faith.

WIPO Panels, while relying on Rule 4.1 of the UDRP, have ruled that the bad faith clause provides a non-exclusive list of circumstances which can be helpful in showing that a respondent acted in bad faith when he or she applied for disputed domain names.

Rule 4.1(b) provides, that this Panel may find that the Respondent acted in bad faith if there are circumstances indicating that the Respondent has requested allocation of the Disputed Domain Names primarily for the purpose of disrupting the business of a competitor; or circumstances indicating that the Respondent has requested allocation or holds the Disputed Domains primarily for the purpose of selling, renting or otherwise transferring the Disputed Domain Names to the Complainant who is the owner of the registered trademark or service or to a competitor of the Complainant, for valuable consideration in excess of documented out-of-pocket costs directly related to the Domain Names.

The latter option of Rule 4(b) applies to the matter at hand, as it is apparent from the evidence presented before this Panel that the Respondent was set out to sell the Disputed Domains. At the meeting between the Complainant and the Respondent which was held and recorded at the Complainant's offices on March 9<sup>th</sup> 2011, the Complainant did not hide the fact that he was trying to sell the Disputed Domain Names. On the contrary, the Respondent tried to negotiate the terms of such sale and openly declared that he would be willing to sell the Disputed Domains for "less than US\$18,000...". Additionally, the Respondent deliberately admitted that he had registered additional domain names, which contain marks of well-known brands. Furthermore, when an internet user types in the Disputed Domain Names, he or she reaches a site dedicated to promoting the sale of domain names. The abovementioned circumstances exemplify that the Respondent's behavior was not an isolated incident, but a recurring course of action.

It is therefore evident that the Respondent registered the Domain Names with the sole purpose of selling it for considerable profit.

Rule 4.1(d) provides that this Panel may find that the Respondent acted in bad faith if there are circumstances showing that the Respondent has intentionally attempted to attract, for commercial gain, internet users to its website, by creating a likelihood of confusion with the Complainant's Name as to the source sponsorship, affiliation or endorsement of its website or location of a product or service on its web site or location.

The Disputed Domain Names are virtually identical to the Complainant's Trademark. Previous WIPO Panels have ruled that "a likelihood of confusion" is presumed and that such confusion will inevitably result in the diversion of internet traffic from the Complainant's site to the Respondent's site (*See: Edmunds.com, Inc. v. Triple E Holdings Limited, WIPO Case No. D2006-1095*). Furthermore, prior WIPO Panels have established that attracting internet traffic by using a domain name that is identical or confusingly similar to a registered trademark is evidence of bad faith (*See: Edmunds.com v. Ultimate Search Inc., WIPO Case No. D2001-1319*).

When an internet user types in the Disputed Domains they feel certain that they shall arrive at the Complainant's site, and surely not at the Respondent's site, which as mentioned, promotes the sale of domain names. The Complainant has demonstrated to this Panel that the Respondent's main objective was to profit from the sale of domain names, thus the registration and usage of the Disputed Domain Names seemed to serve the Respondent with dual purpose: firstly to promote the sale of the Disputed Names and secondly to promote the sale of other domain names associated with well-known brands. When taking these elements into consideration, this Panel concludes that the Respondent's course of action was meant, amongst others, to divert internet traffic while confusing the general public for the sake of commercial gain in the form of the sale of domain names.

Given these circumstances, in accordance with the Rules, the Panel finds that the Complainant sufficiently met the burden of proof by showing that the Respondent registered and used the Disputed Domain Names in bad faith.

## **7. Decision**

For all the foregoing reasons, in accordance with the Rules, the Panel orders that the Domain Names < ritzcarlton.co.il > and < ritz-carlton.co.il > be transferred to the Complainant.

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Yuval Karniel  
Sole Panelist

Dated: May 16<sup>th</sup> 2011