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## Tourism Domain Names – Protecting Your Investment

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Feb 2008

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### Summary

The increasing use of the internet for tourism means that a tourism organisation's website is one of the most important assets that it owns. Use of an appropriate domain name helps customers find a website, and helps protect brand and image. However, domain names are increasingly prone to being targeted by people wanting to draw business away from legitimate sites, or even defraud customers.

This article discusses the use of domain names and brands, and explains how to register an appropriate domain name.

It goes on to look at dealing with problems and explains:

- what to do if you find that a speculator has registered a domain name similar to the name of your own business
- how to go about negotiating a transfer
- Alternative Dispute Resolution (ADR) schemes
- how tourism businesses have fared to date with domain name disputes.

### Introduction

The internet has revolutionised the travel and tourism industry over the last decade, and a study by Google UK and comScore last year brings the scale of that revolution into stark relief. The study found that in the first three months of the year alone, almost one third of the UK population (over 20 million people) used search engines to access travel and tourism information from the internet.

To put this into a larger context, there are now over 340m internet users in Europe (43% of the total population) – an increase of almost 230% since the turn of the millennium. According to the Google and comScore study (see <http://www.comscore.com/press/release.asp?press=1991>), for every tourism and travel purchase in the UK, a customer will undertake 12 related searches, visit 22 websites and take 29 days to gather the information and make a decision.

This indicates that consumers are becoming web-smart, spending a large amount of time collecting a wide range of information and options before coming to a decision, rather than simply heading directly for a branded product to make a purchase.

Further evidence of this from the study is that over 50% of consumers start their search by using a generic product (eg walking holiday) or destination. Over the course of their research, their searches become more tightly defined until they make a decision as to the specific product to purchase.

This increasing usage of the internet, and the fact that a growing number of searches are starting at the generic level, means that a tourism organisation's website is one of the most important assets that it owns. As such, domain names are increasingly prone to being targeted by people wanting to draw business away from legitimate sites or even defraud customers.

This threat will increase with the new .asia domain name going live in February 2008. Judging by the success of the .eu name which was launched in April 2006, it will generate a huge level of interest – not all of it good. This article explains how to manage this threat.

## Domains and brands

Tourism businesses require a domain name that reflects, incorporates or is an acronym of either its legal name or trading style or trade mark. For example, the UK national tourist boards VisitBritain, EnjoyEngland, VisitScotland and VisitWales all have domain names that incorporate their business names (eg [www.visitbritain.com](http://www.visitbritain.com)).

## Protecting brand and image

It is important that all businesses protect their brand and image. This is especially so for those in the tourism sector where their websites will be accessed by a wide range of people including children and families. A speculator may have registered a domain name that is similar or identical to an existing tourism business. Even if its content today is fairly innocuous, tomorrow it could feature something that would damage the reputation of the tourism business.

## Registering domain names

Before any tourism business adopts a new trading name, it should check whether there are any prior rights. This can be done by searching the register of trademarks maintained by the UK Intellectual Property Office. However, this will not show up all prior rights, as in the UK there are a large number of trademarks that are unregistered and protected by passing off laws.

A tourism business should also look at who else has identical or similar domain names registered on the internet. With so much business now done online, it will be vital that web traffic is not lost.

It is important to be aware of two other factors.

- The domain name registrars do not undertake any checking – who ever turns up first and pays the money gets the domain name.
- New domain names keep being released – in 2008 it is .asia, in 2006 it was .eu, .travel and .mobi.

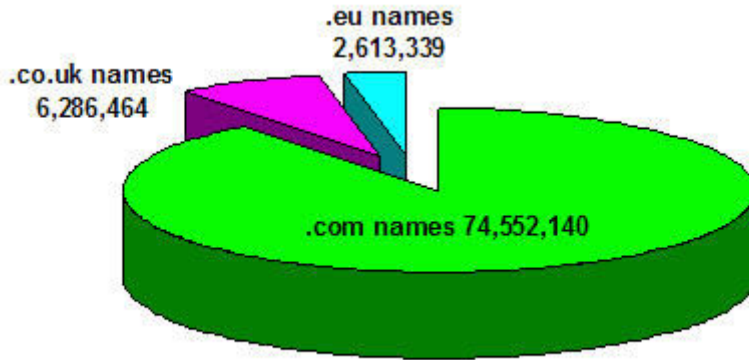
There are several series of domain names – the numbers of .co.uk, .com and .eu names registered are shown in figure 1.

- Names ending in .com/.info/.net/.org/.travel/.museum and a few others are administered by InterNic in the US.
- Domain names ending in .co.uk/.org.uk/.net.uk and a few others are administered by Nominet in the UK.
- Domain names ending in .eu are administered by Eurid in Belgium.

- The new domain name .asia will be administered by Dotasia in Hong Kong.

They each have their own rules dealing with registrations and for [sorting out disputes](#).

Figure 1: Domain names registered



### New .asia Name

Sunrise applications (an initial period when trademark owners may submit their marks as domain name applications before applications are accepted from non-owners of trademarks) for the new .asia domain name have been spread over three periods.

- From 9 October 2007, applications have been open for governmental reserved names.
- From 9 to 30 October 2007, applications were open for holders of registered trademarks who also have a connection with the Asia-Pacific region.
- From 13 November 2007 to 15 January 2008, applications were being accepted for variants of registered trademarks.
- Then from February 2008 it will be first-come, first-served in an auction to the highest bidder, and the new name will go live in March 2008.

Tourism businesses in the UK may need to look at this and seek defensive registrations of .asia names.

### Reviewing domain names

Most tourism businesses will benefit from having a system in place to regularly review what domain names have been registered in the UK and elsewhere. It is easy to check the availability of domain names online through the many domain name registration companies. In particular, a check is needed to see whether any existing registrations are infringing your brand, in case action is required.

Tourism businesses that have re-branded themselves, or are thinking about doing so, or who have been taken over, will need to take particular care to ensure they are not exposed.

Also a check should be made of the content of websites that have similar names. They will need to be checked for update regularly and action taken promptly if anything damaging appears.

After reviewing the portfolio of domain names, gaps can be identified and then actions prioritised. Where there are infringements, most will need external assistance from a lawyer.

### Dealing with problems

## Websites with similar names

There are a number of problem areas that tourism businesses have encountered. These have included the following domain name registrations:

- copying legitimate businesses' names but adding a hyphen
- mis-spelling
- use of conjunctions such as 'and', (eg someone can register either brightonandhove.com, brighton&hove.com or brighton+hove.com)
- gap registrations (where a speculator registers a name because the legitimate business has forgotten or neglected to do so).

Domains registered by third parties create problems for a brand owner by acting as leeches, profiteering from the money spent building up the brand by its owner. In its mildest form this is a dishonest sort of flattery, at its worst, it is a deliberate cloning (copying) of the site with the intention of trading off the brand by duping unknowing visitors.

A more serious threat is 'phishing' sites that capture customer's login details and use them to defraud or impersonate them. This sort of site can lead to significantly bad PR and impact the brand of the company over the long term.

An example of what can happen if an organisation forgets to renew a variation of its main domain name is illustrated by the experience of a UK bank. Within 48 hours of failing to renew:

- a copy of the main site's login screen was set up
- a Google AdWords account was opened to promote the phishing site
- the bait of a free competition entry was offered to all customers who logged in via the cloned site.

Working with Google and the domain company, the 'pay per click' was switched off and site removed within six hours. But if the domain had been properly renewed by the bank, this would never have happened.

Duncan Parry, Director of Strategy at Steak Media Limited in London says:

"It's vital that brand owners ensure they own variations of their domain names. This includes different domain suffixes (.com/.co.uk/etc) and versions with hyphens between words and common typing mistakes. If the company has products or brands with particularly high profiles, domains for those should also be acquired. For example Tesco owns the obvious www.tesco.com, but also www.TescoFinance.com and www.Tesco.co.uk '."

## Dealing with similar domain names

### Renewing before the other party does

Where a similar domain name has been registered by another, those with limited resources may be better off just noting the date that the domain name for the site has to be renewed in their office diary. As not everyone renews their registration, it may be possible to apply for it when the registration lapses.

However, there is no guarantee of success in doing this as the name will be released on a first-come, first-served basis.

Maddassar Azim, Business Development Manager at Safenames recommends using a 'snapping service' (this is an automated service that buys domain name registrations as soon as they expire) with a company called Pool.com. It charges \$100.00 only if successful and is the market leader in doing this.

Nominet (the Internet registry for .uk domain names) consulted in October about a proposed new default transfer mechanism. This would allow businesses to complain about a .uk domain name. If there was no response then, upon payment of a fee, the name could be transferred **without** having to pay the £750 fee to obtain an expert's decision. This proposal has proved controversial and at the moment it is unclear whether Nominet will adopt this in 2008 and what safeguards it will put in place to prevent its misuse.

Buying back a domain registered by another

The cost of buying back a domain will depend, but a good rule of thumb is that it is worth doing if the cost would be less than taking proceedings all the way through dispute resolution (see [ADR proceedings](#)) – allowing a lawyer's time to deal with it, the expert's fee and the management time involved. Negotiating a settlement gives certainty and it usually gets a result faster than ADR.

It is also worth looking on websites such as Sedo to see if the domain name is up for sale. Sedo is like an estate agent – it lists the advertised price of asset, but not how much it eventually sells for or how long it takes. A tourism business should try and find out how much the speculator paid. If the name was registered from new, then often it will have been registered for £10 or less.

Negotiating a cash settlement to buy a domain name back where a voluntary transfer cannot be negotiated will often be the best result. There is a certain value in knowing all the domain names are back under your control and can no longer be misused.

On a number of occasions, speculators have asked not just for money but also for free advertising or linking as part of a settlement. Individual tourist businesses will form their own views. Agreeing advertising will limit the freedom to do website re-designs during the period of its validity and it is probably inappropriate to link to someone who has caused a problem in the first place.

Dealing with infringing domain names

Starting the process: 'Cease and Desist'

Where a review has identified infringing domain names, a tourism business will need to open the dialogue. Usually, this will mean sending out a 'Cease and Desist' letter seeking a voluntary transfer.

Marcia Oliver, General Counsel at VisitBritain says:

"It is usually more effective to use an intermediary such as an external lawyer to do this for you. It lets the domain name speculator know you mean business."

Email is not recommended for an initial approach (although it is useful for sending out reminders). For maximum impact, the most effective initial approach is to send out a letter by post to the geographic addresses registered with the domain name registry. Sending the letter recorded delivery provides proof of delivery and establishes if the person is still there.

Prudence Malinki is Head of the Legal Department at Safenames, which is one of the UK's largest domain names registries. She says:

"Safenames maintains a database called the Big Yobi. This has a global register of domain names and registered trademarks. Subscribers can see all the domain names registered by any given person. It also contains all the domain names which have been subject to an ADR ruling. It identifies where there is revenue diversion and domain names that are parked with "pay per click" providers. It has a mistype facility to help identify further brand thefts. This can be useful to help tourism businesses flag up those who may prove challenging to deal with at an early stage."

#### Dealing with responses

When the first response comes back, it is best to spend some time listening and sounding out the other person's position. A key question to ask is whether they are actually willing to transfer the name. If so, then discussing the terms of the transfer is much easier. Using an intermediary such as an external lawyer means it is easier to explore options with the domain name speculator.

A useful lever during settlement negotiations to be aware of is the finding in the case of **Phones 4u Limited v. Abdul Heykali** [2006] EWCA Civ 244. On 19 May 2006 Lord Justice Jacob in the Court of Appeal held that the use of a disclaimer on a website is not enough to 'undeceive' website visitors that arrive there by mistake.

There is one other trap for the unwary. Correspondence headed 'Without Prejudice' is treated differently in ADR to the way a court would deal with it. A court will usually not allow 'Without Prejudice' correspondence to be given in evidence if it was sent in a genuine attempt to settle a dispute. However, in ADR correspondence headed 'Without Prejudice' can be included in the bundle of documents sent to an Expert. This can cut both ways – so great care must be taken with such correspondence.

#### ADR proceedings

If disputes about domain names cannot be settled by negotiation, then the last resort is to use the Alternative Dispute Resolution (ADR) schemes that apply to the domain name scheme in question. A tourism business taking a case through ADR can use this as a deterrent to others to show that it takes infringement seriously, will act and will get results.

#### Nominet ADR proceedings

After the **One in a Million** case [1997] EWHC Patents 357 was decided, Nominet set up an ADR scheme to deal with disputes about domain names ending in .uk.

Nominet in the UK requires a Statement of Case to be filed online. It can be no longer than 2000 words. It is important to get this right as it is not possible to amend it when it has been filed. Most businesses will need external assistance with this as it is vital that this covers everything stipulated by the dispute rules and policy.

With the Complaint, a tourism business will need to submit three bundles of all documents relied on. This will need to include original samples of how their brand has appeared in print, on letterheads, on business stationery, in brochures and in sales aid literature. It can prove to be quite a task to gather it all together and sort it.

Nominet will allocate a case number and send out the complaint and bundle to the person who has registered the offending name. They can then file a Defence. If they do, then the complainant can submit a Reply and further bundle of documents. Unlike a court, there are then no further documents filed or served.

Once a case has been filed, Nominet will then undertake compulsory telephone mediation with both parties to try and negotiate a settlement. Nominet says it has a 50% success rate on this – and it

does not charge. Some mediators are more proactive than others, and some will achieve better results. As it is free, it is worth using and it does give some clear early signals if it is going to produce a result.

#### *Results of Nominet ADR*

The results of Nominet ADR proceedings are published on its website. To date Nominet has received 6001 cases of which 1530 were weeded out as being invalid. Just over 16% of these valid complaints go to be decided by an expert. Nominet says one-third of valid cases complete its telephone mediation and an agreement to settle the dispute is reached in over half of these.

#### *Expert involvement*

If mediation is not successful, then a fee of £750 (plus VAT) is payable to obtain an expert's decision. The case is allocated to the next available expert on the panel. There is no choice in the selection of the expert.

So far, there have been 728 such reported ADR cases with Nominet. Of those 579 resulted in the cybersquatters being ordered to transfer the domain name back to the lawful holder of the Intellectual Property rights. The success rate with Nominet ADR is therefore **78%**.

There is an appeal from a single expert to an appeal panel consisting of three independent experts. There have been 20 such appeals to date. 10 appeals have been allowed and the other 10 have been dismissed. The odds on winning an appeal are therefore **50%**.

#### *Success rate in the travel and tourism sector*

An analysis of all the decided cases made by Nominet relating to .uk names that involved a business in the travel or tourism sector reveals a success rate for tourism businesses of just over **85%**.

.com disputes: InterNic ADR proceedings

InterNic has its own separate ADR procedure. InterNic does not deal with the ADR itself. ADR is dealt with by either:

- WIPO (the World Intellectual Property Organisation – the UN IP body in Geneva)
- NAF (National Arbitration Forum in Minneapolis)
- the CPR Institute for Dispute Resolution.

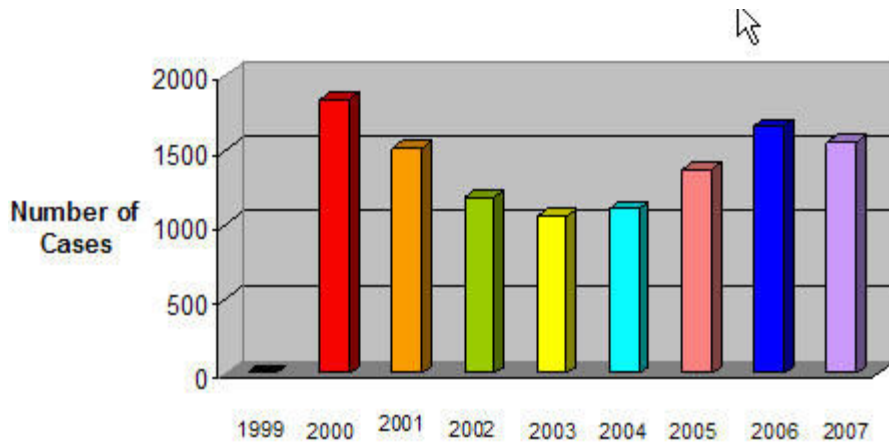
ADR is dealt with according to the ICANN (Internet Corporation for Assigned Names and Numbers) Uniform Policy and Rules adopted in 1999. This is similar to the UK Nominet rules but not identical.

#### *WIPO Cases 1999-2007*

WIPO is a global organisation. Although many of its decisions are in English, a significant minority are not.

All the cases submitted for arbitration by WIPO under the ICANN Uniform Policy and Rules are listed publicly on its website. The number of cases is shown in the graph below.

Figure 2: Number of cases submitted to WIPO



Of cases from 2005, 1910 domain names were ordered to be transferred back to the lawful owner. This is a percentage success figure of **71.5%**. If the abandoned and still pending cases are stripped out, the percentage rises to **83%**.

For proceedings before WIPO it is necessary to pay an arbitration fee. This fee is presently \$1500 for ADR before a single panelist and covers up to five domain names. At current exchange rates this works out at around £750.

The fee is \$4000 for ADR before a panel of three. A good example of a three member panel appeal is the **Discover Tasmania** case (DAU 2003-0001). Here the appeal panel had to determine whether the Australian domain name [www.discover-tasmania.com.au](http://www.discover-tasmania.com.au) had been registered abusively. The appeal panel decided it had and ordered that it be transferred to the Tourism Department of the Tasmanian Government.

*.eu Disputes*

To date the Czech Court of Arbitration has made final decisions in 682 cases – a figure that continues to rise.

At the moment the Czech Arbitration court has also made interim decisions on three cases of interest to those involved in travel or tourism:

- [www.EnglishHarbour.eu](http://www.EnglishHarbour.eu) (case withdrawn for procedural defects)
- [www.flights.eu](http://www.flights.eu) (referred to the European Court of Justice in Luxembourg for a ruling)
- [www.hotel.eu](http://www.hotel.eu) (case extended to allow all parties to file further evidence as to their use of the marque 'hotel').

An analysis of all the cases that have gone to Czech court to determine who should have the .eu name found that there have been 16 travel and tourism cases and, surprisingly, only just over one-third were resolved in favour of the travel business concerned. For example [www.eurostar.eu](http://www.eurostar.eu) was given to a Dutch Diamond trader and not to Eurostar which runs the channel tunnel rail service.

Differences between schemes

There are some differences between the various schemes. For .com disputes, only three things have to be proved:

- the domain name is identical/confusingly similar to a trademark in which you have rights
- the other person has no rights or legitimate interest in respect of the name
- the domain name was registered and is being used in bad faith.



For .uk disputes, it is necessary to prove two things:

- you have rights in the name, and
- the registration is abusive because:
  - **either:** at the time of registration/acquisition it took unfair advantage of or was unfairly detrimental to your rights;
  - **or:** it has been used in a manner which took unfair advantage of or was unfairly detrimental to your rights.

There are some subtle differences between the US and UK systems and the complaints need completing with care to ensure the two systems are not confused.

Companies with at least three cases decided against them

The following 13 people or companies have had at least three cases adversely decided against them in the UK. Any registrations that are made by them need to be treated with care. It is up to the expert whether to apply the '3 strikes' rule in any individual case.

- D Ostashko
- Digi Real Estate Foundation
- Domain Administration Ltd
- Chao Investments Ltd
- Brainfire Group
- Kwan Jin
- Harry Planet
- Keith Szlamp
- Lawrence Chard
- John Morrison
- Robert Morrison
- Balata.com LLC
- Fuz Pty Ltd

All the decided cases and appeals are publicly available on the websites of the domain name registries. Only three person appeals create a precedent binding on a single expert.

### About the author

David Bowden is a dual-qualified English and American lawyer and director of D Bowden Consulting Limited [www.lobbyandlaw.com](http://www.lobbyandlaw.com). It has been established for four years. David acts as a consultant to VisitBritain. For advice or assistance on resolving your domain name problems, he can be contacted at: [info@lobbyandlaw.com](mailto:info@lobbyandlaw.com) or by telephone on (01462) 431444.