

## **ADMINISTRATIVE PANEL DECISION**

Marshmallow II (St. Lucia) Limited v. Jim Terhune, Right Connection inc  
Case No. D2023-1950

### **1. The Parties**

The Complainant is Marshmallow II (St. Lucia) Limited, Saint Lucia, represented by Riebling IP, PLLC, United States of America (“US”).

The Respondent is Jim Terhune, Right Connection Inc, US, represented by Affinity Law Group, LLC, US.

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

The disputed domain name <hedo-resort.com> (the “Disputed Domain Name”) is registered with GoDaddy.com, LLC (the “Registrar”).

### **3. Procedural History**

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on April 30, 2023. On May 1, 2023, the Center transmitted by email to the Registrar a request for registrar verification in connection with the Disputed Domain Name. On May 1, 2023, the Registrar transmitted by email to the Center its verification response disclosing registrant and contact information for the Disputed Domain Name which differed from the named Respondent (Registration Private c/o Domains By Proxy, LLC) and contact information in the Complaint. The Center sent an email communication to the Complainant on May 2, 2023, providing the registrant and contact information disclosed by the Registrar, and inviting the Complainant to submit an amendment to the Complaint. The Complainant filed an Amended Complaint on May 4, 2023.

The Center verified that the amended Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the “Policy” or “UDRP”), the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2 and 4, the Center formally notified the Respondent of the Complaint, and the proceedings commenced on May 5, 2023. In accordance with the Rules, paragraph 5, the due date for Response was May 25, 2023. On May 18, 2023, the Respondent requested automatic four day extension pursuant to Rules paragraph 5(b). The new due date for Response was extended until May 29, 2023. The Response was filed with the Center on May 30, 2023.

The Center appointed Nick J. Gardner as the sole panelist in this matter on June 5, 2023. The Panel finds that it was properly constituted. The Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

On June 5, 2023, the Complainant filed an unsolicited Supplemental Statement (the "Complainant's Supplemental Statement"). On June 12, 2023, the Panel issued a Procedural Order in the following terms "In view of the arguments raised by the Complainant in the unsolicited supplemental filing sent to the Center on June 5, 2023, and the email of the Respondent sent on June 6, 2023, the Panel hereby grants the Respondent until June 17, 2023, to comment on the Complainant's unsolicited supplemental filing". On June 13, 2023, the Respondent filed a Supplemental Statement (the "Respondent's Supplemental Statement"). For reasons discussed below, the Panel will admit both Supplementary Statements.

#### **4. Factual Background**

The Complainant owns and operates a luxury all-inclusive adult only holiday resort in Jamaica. The resort is called HEDONISM or HEDO for short. It has used that name since at least 1999. The Complainant owns a number of registered trademarks for the term "hedo" – see for example US registration no. 75652058 registered on June 6, 2000. These trademarks are referred to in this decision as the "HEDO trademarks".

The Respondent is an independent travel agent. It operates a website (the "Respondent's Website") linked to the domain name <rightconnectionstravel.com> which promotes adult only holidays at a range of luxury all-inclusive resorts. The Respondent does not own any of these resorts but acts as a booking agent for the resorts in question and earns commission on bookings made. Each resort that the Respondent promotes has its own page within the Respondent's Website providing details about the resort in question. One resort the Respondent promotes in this way is the Complainant's HEDO resort. The Disputed Domain Name was registered by the Respondent on August 25, 2008. It currently resolves by redirection to the relevant page on the Respondent's Website. That page has a link which if clicked redirects to the Complainant's own booking service. See further below as to how the Respondent has used it in the past.

#### **5. Parties' Contentions**

##### **A. Complainant – Amended Complaint**

The Complainant contends that it has satisfied each of the elements required under the Policy for a transfer of the Disputed Domain Name.

Notably, in the Amended Complaint, the Complainant contends that the Respondent is using the disputed domain name, which is confusingly similar to the Complainant's trademark to divert customers to competing businesses. So for example, the Complainant says "Indeed, it is clear that Respondent cloaked itself in the identity of the Complainant by registering a domain incorporating the identical HEDO trademark in connection with a website that that offers competing information and bookings for travel and vacations, in order to lure, bait and confuse Internet users. Respondent's attempt to pass off the Disputed Domain Name as being affiliated with the Complainant is, in and of itself, evidence of the fact that the Respondent does not have rights and legitimate interests in the disputed domain name pursuant to paragraph 4(a)(ii) of the Policy".

The Amended Complaint annexes at Annex 8 what it says is "a current copy of the Respondent's website". The Annex in question appears to show on the first page of the annex a print out from the well-known "Wayback Machine" as at August 25, 2018, of a standalone website dedicated to the Complainant's HEDO resort which also contains a "Right Connections Travel" logo and contact details. Subsequent pages of the Annex appear to show screenshots of the Respondent's Website in the form it currently exists as described above.

## B. Respondent - Response

The Respondent says it is a *bona fide* travel agent and that it has for many years worked with the Complainant to promote the Complainant's HEDO resort in the manner described in the factual background (above). It accepts the Complainant owns the HEDO trademarks and that the Disputed Domain Name contains this trademark. It says however that it clearly has a legitimate interest and denies acting in bad faith. It puts its case as follows: "Simply put, Respondent has been using the Domain Name in partnership with the Complainant, not in competition with the Complainant" and it says that it "has been using the Domain Name with the Complainant's full knowledge, participation, and consent". It supports its case with a factual statement from its President. In this, it explains that its business model involves the use of domain names like the Disputed Domain Name for three reasons. First, it says that the use by the Respondent of domain names that incorporate the names of the resorts that the Respondent is trying to sell is a mechanism that lets the Respondent maximize the sales it makes for the various resorts themselves. Second, it says that use of such domain names gives the Respondent a competitive advantage. Use of domain names that feature names of resorts being sold is a common practice in the travel resale industry where the Respondent competes. Registration and use of domain names like the Disputed Domain Name lets the Respondent try to capture sales for itself over its competitors. Finally, it says that use of domain names like the Disputed Domain Name here is a tool to prevent cybersquatting by unscrupulous parties truly seeking to improperly capitalize on the good will of domain names (unlike the Respondent). The Respondent expressly states that "Respondent's use of the [Disputed] Domain Name in the manner described has been done (and is still being done) with the full knowledge, participation, and consent of the Complainant".

The Respondent says it registered the Disputed Domain Name on August 25, 2008, and began generating sales in earnest in 2011 (over 12 years ago). Originally, the Respondent says it put up a stand-alone website linked to the Disputed Domain Name with links to the Respondent's booking engine for the Complainant's resort. The Respondent has provided in evidence what it says is an illustration of the stand-alone website that the Respondent first operated and maintained at the Disputed Domain Name. It says the Complainant was fully aware at least as early as 2013 that the Respondent had registered the Disputed Domain Name and was maintaining and operating its own website at the Disputed Domain Name.

The Respondent has also placed in evidence what it says is representative email correspondence between the Respondent and the Complainant dating from 2013 reflecting what it says is the partnership between the Respondent and the Complainant for the sale of travel to the Complainant's resort. It says this email correspondence shows the Respondent used the Disputed Domain Name to sell travel to the Complainant's resort (not the Respondent's own resorts in competition with the Complainant) and did so with the full knowledge and cooperation of the Complainant.

The Respondent says that in 2018 the Complainant decided that it did not want the Respondent to maintain and run a stand-alone website using the Disputed Domain Name. It says this: "In 2018, the Complainant decided that it did not want Respondent to maintain and run a stand-alone website using the Domain Name as reflected in Annex 11. Consequently, with the full knowledge and consent of the Complainant, Respondent switched its use of the Domain Name to the current use, where the Domain Name redirects a user to Respondent's website."

The Respondent also says that once a user clicks the reservation link on the relevant page on the Respondent's website, the user is taken to a reservation engine operated by the Complainant itself.

The Respondent says its case is the same as the case presented in *EPI Gestion, S.L. v. Media Insight*, WIPO Case No. [D2018-0402](#). There, like here, the respondent was a travel reseller who used a domain name featuring the name of the complainant's resort to sell travel to the complainant's resort. For virtually the same reasons present here, the Panel found that the respondent had legitimate interests in the domain name at issue there and therefore denied the complaint. It also refers to *NYX Development, S.A. de C.V. v. Media Insight*, WIPO Case No. [D2019-0897](#); *Paola Stephania Ornelas Magaña and Irma Michelle Ornelas Magaña v. Media Insight*, WIPO Case No. [D2017-1235](#) and *Levantur, S.A. v. Media Insight*, WIPO Case No. [D2009-0608](#).

### **C. Supplementary Filings - Generally**

The Panel will admit the Supplementary Filings. The Panel agrees with the Respondent that the Complainant's Supplementary Filing raises matters which could and should have been dealt with in the Complaint – namely the nature of the Respondent's business relationship with the Complainant over many years. The Panel would not usually admit such a filing. However, in the present case if the filing is not admitted the record before the Panel is incomplete and inaccurate and the Panel considers it necessary to refer to the full record. The Panel will then in fairness allow the Respondent's Supplemental Filing to be admitted.

### **D. Complainant's Supplementary Filing**

The Complainant accepts that it has done business with the Respondent who it had accepted as a reseller of its services. It says that it did not give the Respondent the right to use the Complainant's trademarks in a domain name. It says it has a large number of resellers and nowhere does its reseller agreement allow such usage. The Complainant denies there was any prior agreement allowing the Respondent to use its trademarks and points out that all the email correspondence the Respondent has placed in evidence use email addresses at the Respondent's domain name <rightconnectionstravel.com> not at the Disputed Domain Name. It says the Respondent does not pass the well-known Oki Data tests (see further below).

### **E. Respondent's Supplementary Filing**

The Respondent objects to the Complainant's Supplementary Filing. It goes on to say that in any case it does not alter the position. It says that the Respondent uses the Disputed Domain Name only to sell travel to the Complainant's resort under its longstanding contract with the Complainant. It says the Complainant knew for over ten years that the Respondent was using the Disputed Domain Name to sell travel to the Complainant's resort and the Complainant never objected to or questioned the Respondent's use of the Disputed Domain Name. It also says that the Complainant cooperated with the Respondent's use of the Disputed Domain Name to sell travel to the Complainant's resort by providing the Respondent with information about room availability and providing the Respondent with access to discounted room rates.

## **6. Discussion and Findings**

To succeed, in accordance with paragraph 4(a) of the Policy, the Complainant must satisfy the Panel that:

- (i) the Disputed Domain Name is identical with or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (ii) the Respondent has no rights or legitimate interests in respect of the Disputed Domain Name;
- (iii) the Disputed Domain Name has been registered and is being used in bad faith.

### **A. Identical or Confusingly Similar**

There is no real dispute between the Parties as to this issue. The Respondent says it does not dispute that the Complainant owns trademark rights in the word "hedo" and the Disputed Domain Name contains the word "hedo".

Previous UDRP panels have consistently held that domain names are identical or confusingly similar to a trademark for purposes of the Policy when the trademark is recognizable within the disputed domain name. It is also well established that the generic Top-Level Domain ("gTLD"), in this case ".com", does not affect the Disputed Domain Name for the purpose of determining whether it is identical or confusingly similar. See, for example, *Rollerblade, Inc. v. Chris McCrady*, WIPO Case No. [D2000-0429](#).

Accordingly, the Panel finds that the Disputed Domain Name is confusingly similar to the Complainant's trademark and the first element of the Policy has been established.

## **B. Rights or Legitimate Interests**

Paragraph 4(c) of the Policy provides a list of circumstances any of which is sufficient to demonstrate that a respondent has rights or legitimate interests in a domain name:

- (i) before any notice to the respondent of the dispute, use of, or demonstrable preparations to use, the domain name or a name corresponding to the domain name in connection with a *bona fide* offering of goods or services; or
- (ii) the respondent has been commonly known by the domain name, even if the respondent has acquired no trademark or service mark rights; or
- (iii) the respondent is making a legitimate noncommercial or fair use of the domain name, without intent for commercial gain to misleadingly divert consumers or to tarnish the trademark or service mark at issue.

It is quite clear that it is (i) above that is potentially applicable. The Respondent has for many years been using the Disputed Domain Name to as part of its business as a travel agent to attract potential customers some of whom who will book vacations at the Complainant's resort (or possibly at other resorts - see below). The question for determination by the Panel is whether that amounts to a "*bona fide*" offering of services. Before considering the key question of consent there are a number of other factors, which merit consideration.

First, the Respondent's Website as it currently exists features a range of resorts as well as the Complainant's HEDO resort. The Disputed Domain Name is used to redirect visitors to the page featuring the HEDO resort but it seems to the Panel that once interested visitors arrive at that page it is inevitable that at least some of them are likely to look at other pages on the Respondent's Website to, for example, compare prices and facilities. To that extent, the Disputed Domain Name is being used to attract Internet users who may ultimately purchase services from either the Complainant or from one of the Complainant's competitors.

Second, the practice of travel agents using domain names featuring resort names may well be common (as the Respondent suggests) but that does not in itself establish it is legitimate – numerous previous UDRP decisions have considered this issue with results which vary and which are fact specific – see this Panel's previous decision in *EPI Gestion, S.L. v. Media Insight and George Alvarez*, WIPO Case No. [D2019-3146](#) and the cases therein cited. The Panel would also add that it is not convinced that the various UDRP cases which the Respondent has cited are determinative – it seems to the Panel that each case turns on its specific facts.

Third, the Respondent's supposed justifications for its business model in this respect are not persuasive. Using a domain name in this manner may well help maximise sales and provide a competitive advantage but that does not automatically confer legitimacy. The same argument could be made in numerous cases where a confusingly similar domain name is used to divert traffic from a trademark owner's business. The fact that the Respondent's use prevents other third parties using the Disputed Domain Name cannot in itself confer legitimacy. It is an issue for the Complainant as to how it wishes to police and protect its trademark and a third party cannot unilaterally establish rights or legitimate interests by claiming to be acting for that reason.

Fourth, the nature of the Respondent's use of the Disputed Domain Name does not fall within the criteria laid down in the well-known decision in *Okidata Americas, Inc. v. ASD, Inc.*, WIPO Case No. [D2001-0903](#), were established. The criteria are, first, that the Respondent must be offering the goods or services at issue, secondly, that the Respondent must use the site only to sell the trademarked goods or services, thirdly, that the site must accurately and prominently disclose the registrant's relationship with the trademark holder and,

fourthly, that the Respondent must not try to “corner the market” in domain names that reflect the trademark. It is clear to the Panel that the Respondent is unable to fulfill the terms of the second of the *Oki Data* criteria. As explained above whilst the Disputed Domain Name redirects to a page which features the HEDO resort there are other pages on the Respondent’s Website which feature third party resorts. However as the panel observed in *EPI Gestion, S.L. v. Media Insight*, WIPO Case No. [D2018-0402](#), the failure to meet the Oki Data criteria is not necessarily the end of the matter for the Respondent’s case. It is a matter of consensus among panels under the Policy that this test does not apply where any prior agreement, express or otherwise, between the parties expressly prohibits (or allows) the registration or use of domain names incorporating the complainant’s trademark (see section 2.8.1 of [WIPO Overview 3.0](#)).

Taking into account the above factors, the Panel would conclude that the Respondent’s use of the Disputed Domain Name was not *bona fide* and does not establish rights or legitimate interests unless the Complainant has at some stage consented to it. The question is whether the evidence establishes this is the case. The evidence in this regard from both Parties is not satisfactory. The Amended Complaint says nothing about this issue - but the Panel considers that it was in any case inaccurate and misleading in that it failed to refer to or take any account of the subsisting business relationship between the Complainant and the Respondent over many years.

The Response expressly alleges that consent exists (see above). However, it fails to identify precisely how that consent was granted. The Panel assumes that if a formal consent in writing existed (whether in correspondence or in an agreement) the Respondent would have produced it. It says the Disputed Domain Name “began generating sales in earnest in 2011” and then says: “The Complainant was fully aware at least as early as 2013 that Respondent had registered the Domain Name and was maintaining and operating its own website at the Domain Name as illustrated in Annex 11. However, the Complainant never objected to or complained about this use or demanded that Respondent stop this use.” Given that the Respondent registered the Disputed Domain Name in 2008 the Panel infers from this statement that the Respondent does not claim to have had any consent from the Complainant when it first registered the Disputed Domain Name in 2008 nor when it says it started generating sales in 2011. No explanation has been given of the significance of 2013 or what it is that happened at that time which the Respondent says led to the Complainant’s alleged awareness at that date.

Given the uncertainty on this key issue, the Panel would have expected some clarification from the Complainant in its Supplemental Statement. However, it is silent on this issue. Manifestly the Complainant has become aware of the Respondent’s use of the Disputed Domain Name prior to its filing the Complaint on April 30, 2023, but the Panel has no way of knowing when that awareness first occurred. The Complainant’s Supplemental Statement notes the absence of any written agreement, and points out (correctly) that the email correspondence the Respondent relies upon does not use, nor refer to, the Disputed Domain Name. However, the Complainant’s Supplemental Statement says nothing at all about when the Complainant first became aware of the Respondent’s use of the Disputed Domain Name nor does it address the Respondent’s allegation that this must have been by 2013.

It is also of note that the Complainant has not challenged the Respondent’s evidence that up until 2018 the Disputed Domain Name resolved to a stand-alone website, which only featured the Complainant’s HEDO resort. Given the active business relationship between the Complainant and the Respondent since at least 2013, as evidenced by the emails the Respondent has produced, it would seem to the Panel surprising if the Complainant did not at some stage become aware of this website and hence the Respondent’s use of the Disputed Domain Name. There is not however any document in the record which confirms this must have been the case. The Respondent apparently discontinued this use in or after 2018 and switched to the current arrangement whereby the Disputed Domain Name redirects to an individual page within the Respondent’s general website. The Respondent says this change was instigated at the Complainant’s request. It has not however produced any document that shows this was the case and the Panel finds it difficult to understand why the Complainant would regard the present arrangement (where other resorts also feature on the website) as preferable to the previous arrangement of a dedicated website which only referred to the Complainant’s resort. Once again, however the Complainant has said nothing in response to the Respondent’s allegations on this issue.

In summary, there are multiple gaps in the record before the Panel as to exactly what happened. The Respondent's account clearly establishes the basic fact of a long standing business relationship with the Complainant but is not sufficiently detailed or complete for the Panel to reach a definite conclusion on the key allegation the Respondent makes – that the Complainant consented to the Respondent's use of the Disputed Domain Name. But, the Complainant's reply to that allegation is wholly unclear as to exactly what was known by the Complainant and at what date. Given the unsatisfactory state of the evidence where does the burden of proof on this issue lie?

Technically, it is for the Complainant to prove its case, on the balance of probabilities. It is however well established that this element in effect requires the Complainant to prove a negative. That being the case it is generally accepted that if the Complainant establishes a *prima facie* case that the Respondent does not have any rights or legitimate interests in the Disputed Domain Name then the burden of production shifts to the Respondent to produce evidence demonstrating rights or legitimate interests in respect of the Disputed Domain Name (see for example *Do The Hustle, LLC v. Tropic Web*, WIPO Case No. [D2000-0624](#); *Croatia Airlines d.d. v. Modern Empire Internet Ltd.*, WIPO Case No. [D2003-0455](#)). Applying that approach to the present case the Panel has some doubt that the Amended Complaint even establishes such a *prima facie* case once it is appreciated that it is wholly silent as to the long standing commercial relationship between the Complainant and the Respondent. Even if it is assumed that such a *prima facie* case is established the Panel would conclude that the Response raises sufficient material to rebut that inference. It does not do so in an entirely satisfactory way (see discussion above) and it may be that the Complainant could have addressed and dealt with the allegations that the Respondent made. However the Panel does not consider it has done so (again see discussion above). It accordingly concludes that the Complainant has failed to establish, on the balance of probabilities, that the Respondent lacks rights or legitimate interests. Ultimately it seems to the Panel that the matters raised in this proceeding, which involve a business relationship between the Parties going back at least ten years, with a lack of conclusive documentation (at least on the record before the Panel), and questions of the conduct and knowledge of each of the Parties, are better dealt with by a court of competent jurisdiction rather than UDRP proceeding. Proceedings under the UDRP are of a limited and restricted nature, do not involve oral hearings, discovery or cross examination, and hence are only applicable to clear cut cases. For the reasons discussed above the Panel does not consider this to be such a case.

Accordingly and based on the available record, the Panel finds the second element of the Policy has not been established.

### **C. Registered and Used in Bad Faith**

In the light of its finding above the Panel does not need to address this issue.

## **7. Decision**

For the foregoing reasons, the Complaint is denied.

*/Nick J. Gardner/*

**Nick J. Gardner**

Sole Panelist

Date: June 19, 2023