

ADMINISTRATIVE PANEL DECISION

Marco Rafael Sanfilippo v. Estudio Indigo

Case No. D2012-1064

1. The Parties

The Complainant is Marco Rafael Sanfilippo of Buenos Aires, Argentina, represented by Allende & Brea Law Firm, Argentina.

The Respondent is Estudio Indigo of Buenos Aires, Argentina, represented by The Muscovitch Law Firm, Canada.

2. The Domain Name and Registrar

The disputed domain name <xn--cabaas-zwa.com> is registered with DNC Holdings, Inc.

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the "Center") on May 21, 2012. On May 22, 2012, the Center transmitted by email to DNC Holdings, Inc. a request for registrar verification in connection with the disputed domain name. On the same date, DNC Holdings, Inc. transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that the 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(a) and 4(a), the Center formally notified the Respondent of the Complaint, and the proceedings commenced June 1, 2012. In accordance with the Rules, paragraph 5(a), the due date for Response June 21, 2012. On June 4, 2012, the Center received a supplemental filing in which the Complainant submits additional evidence in support of its case. On June 6, 2012, the Center sent a communication to the parties informing the parties that the supplemental filing request would be forwarded to the Panel, once appointed, for determination pursuant to its discretion. The Response was filed with the Center June 21, 2012.

The Center appointed Diane Cabell, Antonio Millé and Roberto Bianchi as panelists in this matter on July 12, 2012. The Panel finds that it was properly constituted. Each member of 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.

4. Factual Background

Through the “www.cabaniias.com” website, Complainant operates a portal where *cabañas* (Spanish for huts or cottages), apartments and bungalows in Argentina, Uruguay, Brazil, Chile, etc., are offered for temporary rent.

Complainant owns the following trademark registrations with INPI, the Argentine trademark office:

CABAÑAS.COM WWW.CABANIAS.COM, mixed mark, Reg. No. 2093959, Reg. date June 29, 2006, filed on December 1, 2004, covering all services of International Class 35. The trademark application includes the following drawing:



CABAÑAS.COM WWW.CABAÑAS.COM, mixed mark, Reg. No. 2266605, Reg. date January 14, 2009, filed on December 27, 2007, covering all services of International Class 35. The trademark application includes the following drawing:



According to the corresponding Whois database, the record for the <xn--cabaas-zwa.com> disputed domain name was created on August 29, 2005. <xn--cabaas-zwa.com> is the internationalized domain name (IDN) equivalent to <cabañas.com>. (Panel emphasis).

Respondent operates the “www.xn--cabaas-zwa.com” website, to which the disputed domain name resolves, offering *cabañas* for rent and other accommodation in different tourist places in Argentina, Brazil, Chile and Uruguay.

Because Complainant and Respondent are offering the same or similar services in the same market, they compete with each other.

5. Parties' Contentions

A. Complainant

In its Complaint, Complainant contends as follows:

The disputed domain name is identical to Complainant's CABAÑAS.COM trademark.

Complainant has a trade name or designation in the term "cabañas.com" under Article 27 of Argentina's Trademark Act because it has been using it as a trade name for twelve years.

Respondent has no rights or legitimate interests in respect of the disputed domain name. Complainant has not authorized, licensed permitted or otherwise consented to Respondent's use of the mark CABAÑAS in the disputed domain name. In fact, Complainant sent a cease and desist letter to Respondent. On September 15, 200, Respondent answered this letter, stating that he had taken down the content of the disputed domain name and ceased to use the term "cabañas.com" in the disputed domain name, which was a recognition of Complainant's rights. Later, Respondent purported to transfer the disputed domain name to Complainant but backed down and requested US\$ 70,000 for the transfer. After taking down the content, and because Complainant did not pay the required US\$ 70,000, Respondent registered the <reservcabañas.com> domain name and started to use it with a forwarding address from the disputed domain name to this new domain name.

Complainant has prior rights in the trademarks that preceded Respondent's registration of the disputed domain name for several years.

Complainant has no relationship with Respondent's representatives or business. Therefore, its use of the CABAÑAS trademark may easily confuse customers. In addition, the website to which the disputed domain name resolves has a similar logo to the one in Complainant's trademark, further confusing Internet users.

Respondent has not acquired any trademark rights in the disputed domain name. Respondent would not be able to obtain them in the term "cabañas.com" in Argentina for class 35 because Complainant already own trademark rights over that term. In addition, Complainant has filed oppositions against Respondent trademark applications when Respondent tried to register the disputed domain name as a trademark.

Respondent is not commonly known by the disputed domain name nor could it be.

The disputed domain name was created in 2005 and Respondent never used. Respondent ceased to use the disputed domain name immediately after receiving Complainant's cease and desist letter, thus implicitly recognizing Complainant's rights. So its use was not material enough as to create trademark rights in the <cabañas.com> domain name. This use threatens to divert Internet customers from Complainant's website and has created actual confusion. Respondent only started operating the website at the disputed domain name in 2011.

The fact that the disputed domain name has been blocking spiders since 2005 proves that the disputed domain name was not operating or offering services.

Respondent is not using the disputed domain name in connection with a *bona fide* offering of goods or services, since he registered a domain name confusingly similar to the CABAÑAS.COM trademark, and is using the disputed domain name to redirect it to a competing website, in violation of Policy, paragraph 4(b)(iii).

Respondent was or should have been aware through a simple search on the databases of Argentina's trademark office NPI, that Complainant had registered and used the trademark in its website.

Respondent's use is not a fair use because the disputed domain name is, has been and will be used for commercial purposes. Complainant has hyperlinks with commercial advertising for paid click ads of competitors of Complainant. The conclusion is that the web page forwarding was set in bad faith.

Respondent has registered the disputed domain name in bad faith because it was registered after the <cabanias.com> and <cabañas.com.ar> domain names, and after Complainant's trademark registration.

At the time of the registration of the disputed domain name, Respondent knew of Complainant's website and trademark because Respondent is the owner of <pinamar.com>, <carilo.com>, <sierradelospadres.com and <mardelaspampas.com> offering online guides and listing places for rent in tourism places. Thus, Complainant and Respondent are competitors.

Respondent's disputed domain name leads to a website offering houses for rent and hotels rooms for tourists. The wording of the disputed domain name and the content of the website at the disputed domain name is very likely to mislead Internet users into believing that Respondent is somehow affiliated to CABAÑAS.COM and that it is legitimately authorized by CABAÑAS.COM. It contains the same structure and displays as in the CABAÑAS.COM web site. By using the disputed domain name, Respondent has intentionally attempted to attract, for commercial gain, Internet users to Respondent's website or other online location, by creating a likelihood of confusion with Complainant's mark as to the source, sponsorship, affiliation or endorsement of the holder's website. Also, Respondent has registered the disputed domain name primarily for the purpose of disrupting the business of a competitor.

B. Respondent

In its Response, Respondent makes the following contentions:

Complainant has no trademark rights in "cabañas" or "cabañas.com". Complainant's trademarks were registered as "mixed", not as true word-marks because "cabañas" is a tremendously common dictionary word which is clearly descriptive of Complainant's services. The registration of "cabañas" as a word mark is prohibited. Complainant could likely never get a word mark for "cabañas" for something related to "cabañas".

Complainant's mixed-marks do not confer any actual trademark rights in connection with the included descriptive word "cabañas". Argentine courts have decided that exclusive trademark rights may not be conceded for marks that are necessary to designate a product, or have become the usual term to refer to the nature of the product, or that are merely descriptions of the product that they are supposed to identify.

Complainant does not have, nor cannot have, monopoly rights in such a descriptive term. Furthermore, Complainant must have been aware of this prohibition, which is why it only obtained mixed-marks instead of word-marks. Complainant is aware of the substantial difference in rights afforded between word marks and mixed or figurative marks respectively, since Complainant did apply for an ordinary word mark for EXPO CABAÑAS, thereby demonstrating an awareness that it is necessary to add a distinctive element to an otherwise descriptive word in order to obtain registration.

As set out in "WIPO Overview 2.0" at paragraph n 4.15, where both parties reside in the same country or where a specific concept of national law, such as a question of whether trademark rights exist, is judged germane to an issue in dispute, national laws may be considered by the Panel. Given that both parties are Argentinean, and given that the issue of trademark rights under Argentine law is central to this dispute, it is respectfully submitted that the Panel may consider the aforementioned provisions of Argentine law.

As an alternative to determining that Complainant has no trademark rights in "cabañas" or in "cabañas.com" due to the prohibitions on descriptive words pursuant to Argentine law, the Panel may reach a similar conclusion based on UDRP precedent.

The Panel may rule that the disputed domain name is not "confusingly similar" to Complainant's registered mixed-marks, because it was Complainant who caused confusion by registering a logo as a trademark which comprised a graphical representation of a domain name that it has never even owned or operated. How can Complainant allege "confusion" when he is responsible for creating such strange confusion?

Finally, the Panel can conclude that Complainant has failed to prove "secondary meaning" in the descriptive terms "cabañas" or "cabañas.com." Firstly, Complainant has never owned or used the disputed domain name <cabañas.com>, so it cannot claim any use of it whatsoever. Secondly, displacing the ordinary

meaning of such a common descriptive word like “cabañas” is a nearly insurmountable task. In the logos, there is no actual “dot” or period between “cabañas” and “com”, there is a graphic “circle” denoting a period.

Acquisition of a “secondary meaning” is required when attempting to convert an otherwise descriptive term into a distinctive trademark. In order to demonstrate the acquisition of a secondary meaning, Complainant submits evidence of being in business for a long time, advertising expenditures, having numerous clients, and earning revenue. However when it comes to the acquisition of a secondary meaning for an otherwise descriptive term, such evidence is insufficient on its own.

There is no evidence showing that customers or suppliers of Complainant have been taught to regard or have come to perceive the term as a brand. This is precisely what is missing from Complainant's evidence: any indication or proof that the public identifies “cabañas” or “cabañas.com” with Complainant rather than merely considering these terms to be descriptive in their ordinary sense. This is indeed a heavy onus, particularly with regard to the high degree of descriptiveness imbued in the subject terms.

Accordingly, it is not enough to demonstrate longstanding use, considerable advertising expenditures, and numerous clients – Complainant must demonstrate that these phrases have ceased to be capable of ordinary descriptive use, and have come to mean Complainant's brand through strong customer identification of the mark as indicating the source of such goods or services exists.

For such an inherently descriptive term as “cabañas”, this kind of proof would generally require substantial survey evidence and consumer affidavits. Moreover, it could even be impossible to overcome the inherent descriptiveness in such a common descriptive term as was the case in *RE HOTELS.COM, L.P.*, 2008-1429 (Serial No. 78/277,681).

Complainant does not even baldly or specifically allege that consumers identify the terms, “cabañas.com” or “cabañas” with Complainant. As found by the Panel in *Yao Ming v. Evergreen Sports*, NAF Claim No. 154140, even bald assertions of consumer knowledge are not an adequate form of evidence to establish secondary meaning in a name.

Respondent denies that his logo is similar to Complainant's logo, but in any event such a dispute is outside the scope of the UDRP.

In order for Complainant to prevail the Panel must find that Respondent has “a total lack of any right or legitimate interest”; not merely that Complainant has a purported “better” right or legitimate interest. A finding that Complainant has a “better” legitimate interest is clearly insufficient.

Contrary to Complainant's allegations, Respondent has in fact met the criterion established by paragraph 4(c)(i) of the Policy. Respondent's first “notice of dispute” was Complainant's September 3, 2010 “cease and desist letter”. Prior to this date, and for the approximately seven preceding months, Respondent operated an active website advertising the rental of cabañas in association with the disputed domain name. This constitutes a *bona fide* offering of services as understood by paragraph 4(c)(i) of the Policy. Furthermore, Respondent has an additional “legitimate interest” in the disputed domain name. This interest stems from the fact that the disputed domain name is wholly comprised of a common dictionary word. It has been long-held that where a domain name is descriptive or generic, the first person to register it in good faith is entitled to it. Accordingly, the Respondent respectfully submits that it has an inherent legitimate interest in the disputed domain name because it is generic.

Respondent has been commonly known by “cabañas.com” as a result of offering services and the invoicing of clients, as aforesaid.

Complainant's argument seems to be that “it is inconceivable that Respondent could have registered the Domain in good faith, due to the existence of Complainant's prior use of similar domains and trademarks”. As fully set out above, Complainant actually has no trademark rights or monopoly over a descriptive word such as “cabañas”. As such, there was no reason in law for Respondent not to register <cabañas.com>.

Furthermore, Respondent was not aware of any purported trademark rights owned by Complainant when he purchased the disputed domain name.

There is nothing wrong with Respondent using the disputed domain name in connection with its natural meaning, *i.e.* to advertise *cabañas*, although it is indeed competition.

Complainant wrongly argues that when Respondent began redirecting the disputed domain name <cabañas.com> upon receipt of Complainant's September 3, 2010 letter, that he somehow acknowledged Complainant's trademark rights. Complainant's letter grossly misrepresented its rights (as it is doing now again), and Respondent merely attempted to avoid a costly dispute by redirecting the disputed domain name.

Respondent was bamboozled by Complainant's threats and gross misrepresentations regarding trademark rights. Complainant also argues that the wording of the Domain as well as the content of the Domain is very likely to mislead Internet users. This argument is comical. It is only natural that the disputed domain name <cabañas.com> be used descriptively for *cabañas*. Moreover, it is farcical that Complainant would accuse Respondent of confusion, when Complainant has created and used a logo that incorporates something that looks a lot like the <cabañas.com> domain name, bearing in mind that Complainant does not even own it. Now that is confusing. Lastly, Complainant's argument that Respondent being in competition with Complainant amounts to bad faith, is equally without merit. Competition is lawful behavior. The only thing that would prevent such lawful competition would be if Complainant had a monopoly over the term describing one of the most popular types of tourist accommodation in the Spanish-speaking world, which it does not, and never will.

Absent direct proof that a generic domain was registered solely for the purpose of profiting from the Complainant's trademark rights, there can be no finding of bad faith registration and use.

There is absolutely no evidence that Respondent registered the disputed domain name to target Complainant. In fact, the evidence is the opposite; namely that Respondent registered the disputed domain name to use it in accordance with its natural descriptive meaning.

In any event, this dispute at very least is beyond the scope of the UDRP, which is only intended to resolve clear cases of cyberpiracy, and not cases of competing interests.

This is a case of reverse domain name hijacking. Complainant brought this proceeding in knowing disregard of the likelihood that the Respondent possessed legitimate interests. Complainant misrepresented its rights in a calculated and grossly self-serving manner in order to attempt to deprive Respondent of the disputed domain name.

6. Discussion and Findings

Under Policy, paragraph 4(a), a complainant must make out its case that:

- (i) the domain name is identical or confusingly similar to a trademark or service mark in which the complainant has rights; and
- (ii) the respondent has no rights or legitimate interests in respect of the domain name; and
- (iii) the domain name has been registered and is being used in bad faith.

A. Identical or Confusingly Similar

Complainant has shown that it owns two trademark registrations in Argentina. The Panel notes that both registrations are for "mixed" marks, where each consists of a composition made of words and graphic

elements, such as stylized fonts, a roof of a house, etc. See details of the registrations with drawings at section 4 above.

As explained on the INPI website, “[m]ixed (marks) are those constituted by the combination of word elements and figurative elements together, or of word elements in stylized manner.”¹ Accordingly, the protection granted by the registration of a mixed mark is for the composition as a whole, and not for any of its constituting elements in particular. Thus, Complainant is not correct when he asserts that it has trademark rights in the term “cabañas” (standing alone), based on these mixed trademark registrations.

In order to determine whether the first requirement of the Policy is met, the Panel has to compare Complainant’s mixed marks with the disputed domain name. See “WIPO Overview 2.0”, 1.2. (“The first element of the UDRP serves essentially as a standing requirement. The threshold test for confusing similarity under the UDRP involves a comparison between the trademark and the domain name itself to determine likelihood of Internet user confusion. In order to satisfy this test, the relevant trademark would generally need to be recognizable as such within the domain name, [...] Application of the confusing similarity test under the UDRP would typically involve a straightforward visual or aural comparison of the trademark with the alphanumeric string in the domain name.[...]”)

Aside from the “.com” gTLD, the disputed domain name consists of a single term, “cabañas”, which is a component of Complainant’s registered marks. Since these marks are mixed, other elements are clearly missing in the disputed domain name, so that a conclusion of confusing similarity is far from evident. The Panel notes that if the term “cabañas” were to be considered alone it could never, as such, be apt for registration to protect goods such as *cabañas*, huts or cottages, or services related to such goods, because according to Article 2 of the Argentine Trademark Act No. 22.362, “[t]he following are not considered marks, and cannot be registered: a) names, words and signs constituting the necessary or usual designation of the good or service to be distinguished, or that are descriptive of its nature, function, qualities or other features. [...]”² In other words, Complainant would not have rights in a “CABAÑAS” mark (standing alone). See *Gorstew Limited v. Worldwidewebsales.com*, WIPO Case No. D2002-0744, (“The Panel is not satisfied that the Complainant has any rights in the word “beaches” on its own. All of the Complainant’s evidence suggests that its only rights are in marks consisting of that word plus either (i) some digits or other word or words or (ii) some design (or in some cases, a stylized script, with a wavy line underneath the word”).)

In any case, the Panel need not reach a conclusion under the first requisite of the Policy, because Complainant has failed to make out its case under the second requisite. See *Mastercard International Incorporated v. Education, Ersin Namlı*, WIPO Case No. D2011-2312 (“Ultimately, however, this Panel need not to decide the question of whether the Complaint establishes that Respondent’s disputed domain name is confusingly similar to marks of Complainant, since the Panel has determined that the Complaint fails on other grounds, as elaborated below.”).

B. Rights or Legitimate Interests

As established at section 4 above, Respondent is using the disputed domain name in a corresponding website where *cabañas* are being offered for temporary rent in Argentina, Uruguay, Chile and Brazil. Respondent has shown copies of communications both internal and with clients that he has been advertising the rental of *cabañas* in association with the disputed domain name on its website for several months between January 29, 2010 and September 3, 2010, that is before receiving Complainant’s cease and desist letter through which he was put on notice of the present dispute. The Panel believes this is evidence of a *bona fide* offering of services pursuant to Policy, paragraph 4(c)(i), and thus, of rights or legitimate interests in the disputed domain name.

¹ Unofficial translation. See http://www.inpi.gov.ar/templates/marcas_preguntas.asp.

² Unofficial translation.

Clearly, Respondent's use of the *cabañas* term in its descriptive or generic sense is not illegitimate. *Cabañas* is a common designation for huts or cottages in Spanish, the language used in the website into which the disputed domain name resolves. In fact, *cabañas* is so obvious a term for such offering that it is used both by Respondent and Complainant in their websites for competing commercial purposes and approximately in the same manner. See *Pinnacle Intellectual Property v. World Wide Exports*, WIPO Case No. D2005-1211, relative to <canadamedicineshop.com>, where the panel found that the respondent engaged in the sale of pharmaceutical products under the name "CanadaMedicineShop", and concluded that such name was an apt descriptive choice for the respondent's business, that the respondent had accordingly demonstrated a legitimate interest in the name, and that, given the weak, descriptive nature of the complainant's THE MEDICINE SHOPPE mark, the complainant had failed to establish that the respondent registered and used the domain name at issue in bad faith.

Because offering goods or services by using the corresponding descriptive or generic term is a legitimate use of the term, the Panel concludes that Complainant has failed to prove the second element of the Policy.

C. Registered and Used in Bad Faith

Since Complainant failed to establish Respondent's lack of rights and legitimate interests in the disputed domain name, the Panel need not deal with the bad faith element. See *Bidmania Co. v. Dale Cumming / Euro PC*, WIPO Case No. D2012-0632 ("Given the Panel's findings in relation to the second element of Paragraph 4(a) of the UDRP Policy, consideration of the third element is not necessary as the elements are conjunctive.")

D. Reverse Domain Name Hijacking

Complainant may plausibly have overestimated the strength of its case after Respondent replied to Complainant's cease and desist letter by announcing that he would be taking down the content of the website at the disputed domain name, and asked Complainant not to institute any lawsuit against him, even if the Panel does not consider that Respondent's reply to Complainant's cease and desist letter was a recognition of Complainant's rights. Accordingly, the Panel does not believe that Complainant acted in bad faith in an attempt of reverse domain name hijacking when he brought the Complaint against Respondent.

7. Decision

For all the foregoing reasons, the Complaint is denied.

Respondent's request for a finding of Reverse Domain Name Hijacking is also denied.

Roberto Bianchi
Presiding Panelist

Diane Cabell
Panelist

Antonio Millé
Panelist
Date: July 25, 2012