

Cable News Network LP v. Khouri, 68 USPQ2d 1570 (NAF 2002)

**68 USPQ2D 1570**  
**Cable News Network LP v. Khouri**

**National Arbitration Forum**

**Claim No. FA0208000117876**  
**Decided December 16, 2002**

**Headnotes**

**JUDICIAL PRACTICE AND PROCEDURE**

**[1] Jurisdiction — Subject matter jurisdiction — In general (§405.0701)**

Arbitration panel may exercise jurisdiction over all Internet domain names and respondents

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in proceeding in which complainant seeks transfer of domain names using its “cnn” mark, including individual respondent who has transferred his ownership in respondent Internet news network to others, since that individual continues to manage and control activities of network, since any owner's breach of fiduciary duty of care warrants piercing corporate veil such that individual owners can be held liable for actions on behalf of network, since all individuals and entities connected to domain name registration or usage thus are proper respondents, and since all parties received notice, have had opportunity to be heard, and have actively participated in proceeding.

**[2] Procedure — Stays — In general (§410.2901)**

**Procedure — Dismissal; default judgment (§410.32)**

Arbitration panel will strike that portion of National Arbitration Forum's order, granting stay of Internet domain name dispute resolution proceeding, which provided that complaint would be withdrawn if neither party submitted request to continue proceeding by conclusion of stay period, and respondents' request to dismiss complaint under that provision is consequently denied, since only complainant has right to request that complaint be withdrawn, and since, if dismissal were granted, complainant would simply refile complaint, resulting in prejudice to complainant in added cost and delay, whereas denying dismissal request will not result in prejudice to respondents.

**TRADEMARKS AND UNFAIR TRADE PRACTICES**

**[3] Infringement; conflicts between marks — Likelihood of confusion —Particular marks — Confusion likely (§335.0304.03)**

**Infringement; conflicts between marks — Willful (§335.11)**

Respondents' Internet domain names appending country names or abbreviations, region names, generic or descriptive terms, and other letter combinations to complainant's "cnn" mark are identical and/or confusingly similar to complainant's domain names, when used in conjunction with news and information Web sites, since complainant typically creates geographic-based domain names by appending country name to mark, and users familiar with complainant's naming convention would be likely to enter name into browser that would lead them to respondents' site, since users familiar with complainant and its "cnn" mark would believe that domain name containing "cnn" followed by term such as "stores" or letter string such as "xms" was affiliated with complainant, and since "cnn" mark carries worldwide recognition and reputation, and respondents undoubtedly formed their domain names in order to exploit inevitable user confusion; domain names that are identical save for hyphen between two portions of name are treated as identical, and differences between generic top level domains such as ".com" and ".bz" are ignored, since neither type of difference ameliorates user confusion.

**[4] Infringement; conflicts between marks — Likelihood of confusion —Particular marks — Confusion likely (§335.0304.03)**

**Infringement; conflicts between marks — Willful (§335.11)**

Respondents have no legitimate interests in domain names they use in conjunction with their Internet

news services, since domain names each contain registered and famous “cnn” mark, under which complainant has provided cable and satellite broadcast services for over 20 years, since respondents' domain names clearly were created to exploit Internet user confusion by diverting users familiar with “cnn” mark to respondents' Web sites for respondents' pecuniary benefit, since such use is not bona fide commercial or fair use, and since respondents' adoption of “cnn” mark was not coincidental, in that individual respondent formed Lebanese company with same name as complainant, and likely learned of complainant's news services while living in United States for 15 years.

**[5] Infringement; conflicts between marks — Likelihood of confusion — Particular marks — Confusion likely**

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(§335.0304.03)

**Infringement; conflicts between marks — Willful (§335.11)**

**REMEDIES**

**Non-monetary and injunctive — Equitable relief — Seizure; forfeiture (§505.0703)**

Respondents' 325 Internet domain names containing complainant's “cnn” mark were registered and used in bad faith, and must be transferred to complainant pursuant to Uniform Domain Name Dispute Resolution Policy of Internet Corporation for Assigned Names and Numbers, since respondents undoubtedly were aware of complainant's mark when they registered domain names, since respondents' domain names use same naming convention as complainant's Web addresses by appending country or region name to “cnn,” which indicates that respondents employed mark deliberately to confuse users and misappropriate good will inherent in “cnn” mark, since respondents' registration of large number of domain names using “cnn” mark indicates bad faith and intentional diversion of Internet users, since such diversion deprives complainant of revenue, and since illicit nature of respondents' actions, which extends well beyond registration and use of disputed domain names, reinforces view that respondents acted in bad faith.

**Case History and Disposition**

Complaint filed by Cable News Network LP, LLP pursuant to Uniform Domain Name Dispute Resolution Policy of Internet Corporation for Assigned Names and Numbers, against respondents Elie Khouri, d/b/a Channel News Network, and others. Complainant requests that 325 Internet domain names containing “cnn” letter string be transferred from respondents to complainant. Granted.

**Attorneys:**

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John D. Haynes, of Alston & Bird, Atlanta, Ga., for complainant.

James K. Lewis, of Patton Boggs, Denver, Colo., for respondent.

**Judge:**

Before Michaelson, presiding panelist, and Buchele (retired) and Ohiku, panelists.

**Opinion Text**

**Opinion By:**

Michaelson, panelist.

**REGISTRAR AND DISPUTED DOMAIN NAMES**

There are 325 domain names at issue, all of which are of the form of <cn + x.gTLD> where x is a predefined suffix and gTLD is a specific generic top level domain (specifically .com, .org, .net, .biz or .bz) (collectively the “disputed domain names”). Although .bz is officially a country code top level domain, for purposes of simplicity in this decision it will be referred to along with the others as generic. The suffix is: a different country name or country abbreviation (with or without a preceding dash) (286 names), a different name of a geographic region (with or without a preceding dash) (17 names), a different generic or descriptive term (with or without a preceding dash) (10 names), or a different 2 or 3 letter grouping (12 names). All the domain names are alphabetically listed, organized by type, in Appendix A hereto [omitted] and, organized by registrar, in Appendix B hereto [omitted]. The registrars are *DomainBank.com* (299 names), *eNIC* (22 names) and *IHOLDINGS.COM, INC. d/b/a DOTREGISTRAR.COM* (3 names) (collectively the “Registrars”).

**PANEL**

The undersigned certify that they have acted independently and impartially and to the best of their knowledge have no known conflict in serving as Panelists in this proceeding.

Mr. Peter L. Michaelson, Esq. as Presiding Panelist.

Hon. James P. Buchele (retired) as Panelist.

Ms. Uwa Ohiku, Esq. as Panelist.

**PROCEDURAL HISTORY**

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy (“Policy”), available at <[icann.org/services/udrp/udrp-policy-24oct99.htm](http://icann.org/services/udrp/udrp-policy-24oct99.htm)>, which was adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) on August 26, 1999, and approved

on October 24, 1999, and in accordance with the ICANN Rules for Uniform Domain Name Dispute Resolution Policy ("Rules") as approved on October 24, 1999, as supplemented by the National Arbitration Forum Supplemental Rules for Uniform Domain Name Dispute Resolution Policy then in effect ("Supplemental Rules").

The Complainant submitted a Complaint, together with Exhibits A-C (including subparts)

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to the National Arbitration Forum (the "Forum") electronically on August 6, 2002; the Forum received a hard copy of the Complaint on August 7, 2002.

On August 7, 2002 and August 19, 2002, the Registrars confirmed by e-mail to the Forum that all the disputed domain names are registered with them and confirmed the corresponding registrant as listed in the Complaint (and the Appendices hereto) as the current registrant of each of those names. The Registrars have verified that the registrant of each of the disputed domain names, is bound, for that name, by the registration agreement of the corresponding registrar, and in accordance with those agreements has thereby agreed to resolve domain-name disputes brought by third parties in accordance with the Policy.

On August 20, 2002, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of September 9, 2002 by which the Respondent could file a Response to the Complaint, was transmitted to the Respondent via e-mail, post and fax, to all entities and persons listed on the Respondent's registrations as technical, administrative and billing contacts, and, by e-mail, to the postmaster at each of the disputed domain names.

On September 30, 2002, the Parties filed a Joint Request to Stay the Administrative Proceeding (a copy of which appears in both Exhibit O to the Response and Exhibit A-5 to the Complainant's Additional Submission) for a 10-day period or until October 10, 2002. The Request expressly stated, in part:

"Respondent as well as Channel News Network (Lebanon) sarl, Presidente Advertising Agency, Presidente Advertising Co., sarl and Hot Sales and Business Center agree to transfer all of the domain names at issue in order to resolve this proceeding. The requested stay period is to allow time to complete the transfer. If this matter is not fully resolved within the extended time period, the Parties agree that Respondent shall have one (1) calendar day thereafter to file a response to the Complaint." On October 1, 2002, the Forum issued an order (a copy of which appears in Exhibit P to the Response) granting the requested stay. The order expressly stated, in part:

"The Parties, having been advised that a Panel has not been appointed, and that the Decision in this matter has not been published, requested that the Administrative Proceeding ... be stayed for a one-time period of ten (10) days until October 10, 2002.

If this matter is not settled and the Complaint withdrawn, one of the Parties must submit a request to the Forum to continue the Administrative Proceeding by October 10, 2002, or the Complaint will be withdrawn by the Forum and the file closed.”

The Respondents contacted the Forum on October 11, 2002 (due date for filing the Response) and requested that this proceeding be dismissed because neither party filed a written request to reinstate the proceedings.

In response to the Respondents’ request, the Forum issued an order dated October 11, 2002 denying this request. The order (a copy of which appears in Exhibit A-6 to the Complainant’s Additional Submission and in Exhibit E to the Respondent’s Additional Submission) stated, in part:

“The signed Joint Request of the parties for a stay provided:

‘If this matter is not fully resolved within the extended time period, the Parties agree that the Respondent shall have one (1) calendar day thereafter to file a response to the Complainant. The Parties further request that the action then proceed according to normal rules and scheduling.’

The Parties failed to arrive at an agreement within the requested stay. Therefore, the action shall ‘proceed according to normal rules and scheduling’.”

A timely Response, together with Exhibits A-P, was received by the Forum and determined to be complete on October 11, 2002.

The Complainant filed its Additional Submission, together with Exhibits A and A1-A9, on October 16, 2002; the Forum determined on that date that this additional submission was complete. The Respondent then filed its Additional Submission, together with Exhibits A-E, on October 21, 2002; the Forum determined on that date that this additional submission was complete.

On November 4, 2002, pursuant to the Complainant’s request to have the dispute decided by a three-member panel together with the panel selections made by each party, the

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Forum appointed Mr. Peter L. Michaelson, Esq. as Presiding Panelist and Hon. James P. Buchele (retired) and Ms. Uwa Ohiku, Esq. as Panelists. The Forum also set a due date of November 18, 2002 to receive the decision from the Panel.

Due to the complexity of this proceeding and the schedules of the various panelists, the Panel, through a procedural order dated November 15, 2002, extended the due date for its decision by approximately one month to December 16, 2002.

### ***RELIEF SOUGHT***

The Complainant requests that all the disputed domain names be transferred from the Respondent

to the Complainant.

## *PARTIES' CONTENTIONS*

### A. Complainant

#### 1. Confusing similarity/identity

The Complainant contends that all the disputed domain names are confusingly similar to Complainant's CNN Mark.

Specifically, the Complainant contends that the "striking similarity" between all the disputed domain names and the CNN Mark is immediately apparent. Furthermore, the Complainant contends that consumers who see the disputed domain names are certain to associate them with the Complainant, particularly in light of the Complainant's protocol for naming its regional sites using domain names that include a geographic or language identifier. In that regard, the Complainant states that many of the disputed domain names are almost identical to the Complainant's own geographic-based domain names, sometimes differing by only the inclusion of a hyphen (compare, e.g., the disputed domain name <*cnn-brazil.com*> with the Complainant's domain name <*cnnbrazil.com*>).

Hence, Complainant concludes that the requirements of paragraph 4(a)(i) of the Policy are satisfied.

#### 2. Rights and legitimate interests

The Complainant contends that the Respondents have no rights or legitimate interests in any of the disputed domain names.

Specifically, the Complainant alleges that the Respondents' registration and use of the disputed domain names is a "blatant attempt" to trade on the goodwill and fame associated with the CNN Mark. In that regard, the Complainant states that the Respondents have no connection or affiliation with the Complainant, nor has the Complainant granted the Respondents a license or consent, express or implied, to use the CNN Mark in domain names or in any other manner. In light of the worldwide fame and registrations of the CNN Mark, the Complainant contends that the Respondents have no legitimate reason or right to register or use hundreds of domain names, each of which includes the CNN Mark, in connection with a web portal that offers services directly competitive to those offered by the Complainant.

Furthermore, the Complainant contends that the Respondents were on notice of the Complainant's exclusive rights in its CNN Mark as a result of the Complainant's numerous worldwide registrations of its marks and prior extensive use of its marks, including in Lebanon. In that regard, the Complainant alleges, that the Respondents, when registering the disputed domain names, must have become aware of the Complainant's naming convention of its domain names when the Respondent learned of the numerous pre-existing domain name registrations owned by the Complainant that utilized that

convention. Thus, the Complainant concludes that the Respondents have no rights or legitimate interests in any of the disputed domain names.

The Complainant opines that the Respondent Khouri apparently believes, though falsely, that he is entitled to use the disputed domain names in connection with his operation of his own news network, Channel News Network, which provides Internet-based news and information services which are identical to the Complainant's news services offered under its CNN Mark.

In that regard, the Complainant points to various UDRP decisions in which panels have been confronted with situations where a domain name at issue was confusingly similar to a famous and distinctive trademark, yet the registrant alleges good faith because it ostensibly used the domain name to offer goods or services to the public. Those decisions, as viewed by the Complainant, establish the propositions that: (a) an infringing use cannot be a bona fide, good faith use; and (b) constructive or actual knowledge of the trademark

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owner's mark renders the registration and use bad faith—these being particularly true where a domain name is used to compete with a trademark holder. In that regard, the Complainant cites to *Cable News Network LP, LLP v. Ahmed Latif*, FA 100709 (Nat. Arb. Forum, Dec. 31, 2001) (holding that the “offering of goods or services in association with an infringing trademark use does not constitute a ‘bona fide’ offering of goods and services within the meaning of Policy paragraph 4(c)(i).”). The Complainant also cited to *Two Systems Enterprises Co., Ltd. v. Sonie's Creations*, AF-0911 (eResolution, Sept. 7, 2001); *American Online, Inc. v. Fu* D2000-1374 (WIPO, Dec. 11, 2000) (holding that it would be “unconscionable to find a bona fide offering of services in a respondent's operation of web-site using a domain name which is confusingly similar to the complainant's mark and for the same business.”); and *Delta Corporate Entity, Inc. v. Seventh Summit Ventures*, FA 106112 (Nat. Arb. Forum, May 6, 2002) (holding that use of domain name to redirect consumers to a competing web site cannot be a bona fide offering of goods and services).

With those cases in mind, the Complainant contends the Respondent Khouri cannot deny that he was fully aware of the Complainant, its services and its worldwide fame when he registered the disputed domain names. Indeed, since this Respondent lived in the United States for over fifteen years, the Complainant takes the position that it is “inconceivable that Respondent could make such an argument with a straight face”. Hence, the Complainant concludes that “this knowledge coupled with the worldwide fame of the CNN Mark precludes any argument that Respondent has a legitimate right to use the Domain Names.”

Thus, the Complainant concludes that the Respondent cannot demonstrate any rights or legitimate interests in any of the disputed domain names pursuant to paragraph 4(a)(ii) of the Policy.

### 3. Bad faith use and registration

The Complainant contends that the Respondents have registered and are using each of the disputed domain names in bad faith in violation of paragraph 4(a)(iii) of the Policy.

First, the Complainant contends that the Respondents' actions constitute a bad faith attempt to trade on the fame and goodwill of the Complainant's CNN Mark in contravention of paragraph 4(b)(iv) of the Policy.

In particular, the Complainant contends that the Respondents' registration and use of the disputed domain names is intended to attract Internet users to Respondent Channel's competing web sites by creating a likelihood of confusion with the Complainant's CNN Mark as to the source, sponsorship, affiliation and endorsement of the Respondents' services. Specifically, the Complainant contends that Internet viewers interested in determining whether the Complainant has additional regional web content are likely to search for that content by typing in one of the disputed domain names, such as <cnnindia.com>, <cnnafrika.com>, <cnnkenya.com>, <cnnafghanistan.com>, or hundreds of others that follow the Complainant's naming convention such as <cnnjapan.com>, <cnnbrazil.com>, and <cnnindia.biz>. Once such a viewer has arrived at one of the Respondent's sites, that individual is likely to believe that the site is associated or affiliated with the Complainant due to the similarity of the content provided. Yet, even if the content of that site clarifies to the users that it is not associated or affiliated with the Complainant, the Respondents' use would still infringe the Complainant's CNN Mark because of the initial interest confusion that drove that Internet traffic (those users) to the Respondents' site in the first instance, i.e. by mistake. *See, e.g., Two Systems Enterprises Co., Ltd. v. Sonie's Creations, cited supra*; and *Sony Corporation v. Times Vision, Ltd.*, FA 095686 (Nat. Arb. Forum, Mar. 9, 2001).

Furthermore, the Complainant contends that the Respondents' intent to trade on the goodwill, that the Complainant has established in its CNN Mark, is apparent because the Respondent Khouri, in adopting the Complainant's naming convention, divided his web sites into regions and linked to these sites using domain names consisting of the term "CNN" followed by a geographic modifier. This is the exact same naming convention which the Complainant uses and, as such, is obviously aimed at capturing Internet traffic searching for the Complainant's own regional web sites. For example, Internet users searching for the Complainant's Arabic-language web site might mistakenly type <cnn-brazil.com> (instead of <cnnbrazil.com>) and end up at the Respondents', rather than the Complainant's web site.

Hence, the Complainant views the Respondents' actions as constituting a bad faith registration

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and use pursuant to paragraph 4(b)(iv) of the Policy.

In that regard, the Complainant cites to, e.g., *David Brown O/B/O Inspector tools.com v.*

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*Professional Equipment*, FA 109757 (Nat. Arb. Forum, May 31, 2002) (finding bad faith and noting that respondent's registration and use of domain name incorporating competitor's mark was a "deliberate attempt to benefit from a perceived affiliation with Complainant's products").

Second, the Complainant contends that the Respondent's actions constitute a bad faith attempt to block the Complainant from reflecting its CNN Mark in corresponding domain names, hence violating paragraph 4(b)(ii) of the Policy.

Specifically, the Complainant alleges that the bad faith is shown by the Respondent's actions in registering a huge volume of domain names beginning with the CNN Mark which effectively prohibits the Complainant from expanding its own Internet coverage into additional geographic regions. The Complainant takes the position that the Respondents have registered "nearly every conceivable domain name" consisting of the term "CNN" and a geographic modifier that was not already owned by the Complainant. Hence, the Complainant alleges that the Respondents' actions prohibit the Complainant, from registering and using numerous domain names that the "Complainant has every right to register and use and which may be valuable to its business both now and in the future". In this instance, the Complainant cites to, e.g.: *Yahoo! Inc. v. Seocho*, FA 109050 (Nat. Arb. Forum, May 13, 2002) (finding bad faith pursuant to paragraph 4(b)(ii) based on registration of 21 domain names incorporating Yahoo! mark); and *Harcourt, Inc. v. Fadness*, FA 95247 (Nat. Arb. Forum, Sept. 8, 2000) (bad faith found based on registration of several infringing domain names).

Moreover, the Complainant opines that, in light of the worldwide fame of the CNN Mark and given that Respondent Khouri resided in the United States, formed numerous US-based corporations and undoubtedly discovered many of the Complainant's web sites when registering the disputed domain names, it is inconceivable that the Respondents could have registered the disputed domain names in ignorance of the Complainant's rights in the CNN Mark.

Further, the Complainant contends that, even if the Respondents were to claim ignorance of the Complainant, the latter's federal registration for its CNN Mark constitutes constructive notice of the Complainant's rights. As such, the Complainant concludes that the Respondents either knew, or should have known, of the Complainant when the Respondents registered the disputed domain names. Such knowledge at the time of registration, by itself, constitutes per se bad faith registration, citing to, e.g.: *Guardian Indus. Corp. v. Siam Plate Glass Industry Ltd.* FA 104470 (Nat. Arb. Forum, Mar. 25, 2002) (finding that the respondent had to know of the complainant since both parties competed in same markets and that registration of domain names incorporating the complainant's mark constitutes per se bad faith).

Lastly, the Complainant contends that the Respondent's actions constitute a bad faith attempt to disrupt the business of a competitor; hence violating paragraph 4(b)(iii) of the Policy.

In this regard, the Complainant contends that the Respondents are using the vast majority of the disputed domain names to direct Internet traffic to the Respondents' regional news and information web

sites that directly compete with the Complainant's web sites. Given the directly competitive relationship between the Complainant and the Respondents, the Respondents' actions evidence a bad faith intent to disrupt the Complainant's business by improperly capturing Internet users who are actually attempting to reach one of the Complainant's sites. The Complainant cites to, e.g.: *David Brown O/B/O InspectorTools.com v. Professional Equipment*, cited *supra* ("Given that both Complainant and Respondent are [direct competitors], it is reasonable to infer that Respondent registered and used the disputed domain name in order to disrupt Complainant's business") and *Surface Protection Indus., Inc. v. Webposters* D2000-1613 (WIPO, Feb. 5, 2001).

Hence, Complainant concludes that the requirements of paragraph 4(a)(iii) are satisfied with respect to all of the disputed domain names.

## **B. Respondent**

The Respondents state that through the Complaint, the Complainant bases its argument upon the premise that the names of the

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entities identified in the Complaint's caption are merely assumed names for Mr. Elie Faouzi El Khouri.

The Respondents counter this view by stating that Respondents, Channel News Network (Lebanon) sarl (hereinafter "Channel"), Presidente Advertising Agency, Presidente Advertising Co. sarl, and Hot Sales & Business Center are all established valid and existing Lebanese business entities. Presidente Advertising Agency and Presidente Advertising Co. sarl are one company operating as Presidente Agency sarl. Hot Sales and Business Center is a Lebanese registered trademark owned by Presidente Agency sarl on behalf of that Respondent. Mr. Khouri does not own and/or operate each of these entities and in no case are these entities merely Mr. Khouri's assumed names.

The Respondents state that each of the disputed domain names is registered to or controlled by the Respondent Channel. This Respondent is the sole entity that operates web sites at the disputed domain names. Mr. Khouri and the other listed Respondent entities merely reserved certain domain names because the Respondent Channel hired them to do so.

### **1. Confusing similarity/identity**

The Respondents contend that neither Mr. Khouri's nor the disputed domain names are confusingly similar to the Complainant's CNN Mark.

First, Respondent Channel states that it has obtained multiple trademark and service mark registrations for marks embodying the "cnn" letter string, and particularly registrations to which the Complainant has not objected.

Specifically, the Respondents state that on May 1, 2001, the Department of Intellectual Property Protection of the Lebanese Ministry of Economy and Commerce (“Lebanese DIP”) issued Lebanese Trademark Registration No. 85980 to Respondent Channel for the mark “CHANNEL NEWS NETWORK” in International Class 35 for use in connection with “advertisement, publicity and media through internet network, grouping of information, advertisements and news from internet.” On that same date, the Lebanese DIP also issued Lebanese Trademark Registration No. 85981 to Respondent Channel for the mark “CHANNEL NEWS NETWORK LEBANON THE ARAB NEWS ONLINE” in the same International Class for use in connection with the same services. A copy of these registrations respectively appear in Exhibits D and E to the Response.

The Respondent further states that on September 1, 2001, the Lebanese DIP issued Lebanese Trademark Registration No. 86022 to Respondent Channel for the mark “CNNLB”, also in International Class 35, for use in connection with “advertisement, publicity and media through internet network, grouping of information, advertisements and news from internet.” On January 23, 2002, the Lebanese DIP issued Trademark Registration No. 89581 to Respondent Channel for the mark “CHANNEL NEWS NETWORK MIDDLE EAST ARAB NEWS ONLINE—CNNME”, in the same class for use in connection with the same services. These two trademark registrations clearly embody the “cnn” letter string. A copy of these particular registrations appears in Exhibits F and G, respectively. The Respondent contends that despite the “Complainant’s alleged world famous mark” and the Complainant’s Lebanese registration for its CNN Mark in International Class 38, the Lebanese DIP issued the four trademark registrations noted above to the Respondent Channel for use in connection with its ongoing Internet based news services.

The Respondents then contend that although Lebanese law provides aggrieved parties with an opportunity to oppose and cancel applications and registrations for infringing marks, the Complainant never attempted to oppose or cancel any of the Respondent Channel’s Lebanese trademark registrations. Hence, Respondents contend that inasmuch as the Complainant failed to move against these four marks, Respondent Channel has developed “extensive common law rights in marks that incorporate the string ‘cnn’ in connection with its Internet news services”.

Second, the Respondents contend that Respondent Channel’s consumers seek out Channel’s web sites precisely because Channel features news coverage drastically different from that provided by the Complainant.

The Respondents allege, that although both Respondent Channel and the Complainant operate within the same general industry, Respondent Channel offers an entirely different style and type of news. Specifically, the Respondents contend that Respondent Channel is well known for offering unbiased in-depth reporting

on Middle Eastern affairs that stands in stark contrast to news provided by media giants like the Complainant, ABC, NBC, CBS and Fox. Respondent Channel “made its name” by reporting detailed Middle Eastern news that other media outlets overlooked. Thus, Respondent Channel has garnered a devoted following among Middle Easterners living around the world, particularly ex-patriots living in the United States, where thorough Middle Eastern news coverage is almost never offered.

Further, the Respondents contend that because Respondent Channel’s corporate name and logo—which differ from that of the Complainant—are always prominently displayed (a hard copy of homepages of some of the Respondent Channel’s web sites bearing this logo appear in Exhibit L to the Response), there is “no possibility that consumers will be confused once they have arrived at one of Channel’s web sites.”

Lastly, the Respondents contend that the Complainant has acquiesced to one of its biggest competitors’ use of a series of service marks embodying the “cnn” letter string.

Specifically, the Respondents state that Respondent Channel’s use of the “cnn” letter string is also identical to Gannett Co., Inc.’s (hereafter “Gannett”) use of it in its “NFCNN” service mark in the United States and around the world in International Class 35. Gannett is an international news and information company that publishes nearly 100 daily newspapers in the United States, including *USA Today*, the nation’s top-selling daily newspaper. Gannett also owns more than 300 non-daily publications in the United States as well as *USA Weekend*, a weekly newspaper magazine. Gannett’s United Kingdom subsidiary publishes more than 300 titles, including 15 daily newspapers. Gannett also operates 22 television stations in the United States and is an Internet leader with sites sponsored by most of its television stations and newspapers. The Respondents state that Gannett is one of the Complainant’s largest competitors.

The Respondents state that, in January 1993, Gannett applied to the United States Patent and Trademark Office for registration of its “NFCNN” mark in the same International Class that the Complainant had registered many of its CNN Marks. The Complainant never opposed or moved to cancel the mark and has apparently never demanded that Gannett cease and desist from using the “NFCNN” mark. Gannett’s application matured to registration and the mark is still active and registered in the United States. Gannett also owns two other valid and active United States trademark registrations for marks incorporating the “cnn” letter string.

The Respondents state that Respondent Channel has registered and exploited its marks first in the Middle East and now throughout the world via its popular Internet news portals. Gannett, too, has adopted and used its marks embodying the “cnn” letter string for use in connection with services in International Class 35. All the while, according to the Respondents, the Complainant has been idle except for the instant action and its complaints immediately preceding it. As such, the Respondents contend that the Complainant has apparently acquiesced to Respondent Channel and Gannett’s use of the “cnn” letter string. Additionally, the Respondents contend that the Complainant has not shown any

evidence of actual or potential consumer confusion. Moreover, the Complainant has failed to take any action against Respondent Channel's registered trademarks embodying the "cnn" letter string and has significantly delayed in bringing this action, despite knowing about Respondent Channel's operations for years. Hence, the Respondents contend that through the Complainant's acquiescence and considerable delay in bringing this action, the Complainant has tacitly acknowledged that the "cnn" letter string can be associated in the minds of consumers with a number of goods and services other than those of the Complainant.

Furthermore, the Respondents state that simply because marks are similar does not mean that they are confusingly so. The mere presence of a famous trademark within a domain name including other letters does not mean that the marks are confusingly similar. This is especially true where the domain name is a derivative of the name of Respondents' primary business name

Accordingly, the Respondents conclude that Respondent Channel's use of the "cnn" letter string in each of the disputed domain names is not confusingly similar to the Complainant's CNN Mark; therefore, paragraph 4(a)(i) of the Policy is not met.

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## 2. Rights and legitimate interests

Respondent Channel contends that it has rights and legitimate interests in the disputed domain names.

In essence, this Respondent states that it has used the disputed domain names in connection with bona services at least as early as November 2000 and was demonstrably prepared to use those names as early as April 1999; hence ostensibly indicating its rights and legitimate interests in those names under paragraph 4(c)(i) of the Policy.

Specifically, the Respondents state that at least as early as the beginning of 1999, promoters of Respondent Channel were investigating the prospect of offering worldwide Internet portals for Middle East regional news. By April 1999, those promoters had commissioned Lebanon Index to prepare a business plan analysis and market study to determine the commercial need for region-specific news via the Internet. (A copy of that plan dated April 15, 1999 appears in Exhibit H to the Response). In its evaluation, Lebanon Index identified a high demand for English-language web sites providing non-biased news and information concerning the Middle East and Lebanon particularly. The Lebanon Index evaluation contemplated not only an initial launch of a Lebanese and Middle Eastern Internet portal, but also an eventual expansion to web portals serving regions and countries worldwide. Lebanon Index's evaluation (see page 2 thereof) called for reserving many domain names based upon the "CHANNEL NEWS NETWORK" name followed by a country or regional identifier (e.g.,

<ChannelNewsNetworkLebanon.com>, <ChannelNewsNetworkKuwait.com>and <ChannelNewsNetworkSaudiArabia.com>, etc.). Because including the complete company name in this naming protocol was cumbersome, the Lebanon Index evaluation suggested adopting a suitable abbreviation. To ensure market penetration and to protect Respondent Channel against cybersquatters, the Lebanon Index evaluation determined (see page 3 of the plan) that Respondent Channel should “acquire the maximum registration of domain names in Lebanon, USA and all the available registrars and country extensions in the world.” Respondent Channel states that it did just that.

The Lebanon Index evaluation (also see page 3 of the plan) further concluded that Channel’s goals could be met over the course of four to five years at a cost of approximately US \$30,000,000.00. As 1999 and 2000 progressed, Respondent Channel’s promoters actively sought investment money and aggressively went about establishing a business designed to achieve the goals set forth in the Lebanon Index evaluation. By the end of November 2000, Respondent Channel was formed and had registered most of the many domain names contemplated in the Lebanon Index evaluation and many of the disputed domain names. In that regard and by that time, investors and early consumers had expressed a need for a shorthand way to express the complete corporate name of the Respondent Channel for the purpose of typing its domain names. Hence, while many of the domain names included the entire corporate name, others included the “cnn”letter string — as an abbreviation for Respondent Channel News Network.

After its formation, Respondent Channel quickly gained momentum. In June 2001, Respondent Khouri was featured in the magazine *Masculin* for his role as Editor in Chief of Channel’s news web sites. The article (a copy of which appears in Exhibit I to the Response) about Mr. Khouri prominently features the “CHANNEL NEWS NETWORK” and “CNNME” trademarks as well as the <cnnme.com> domain name.

Later, Respondent Channel’s “CHANNEL NEWS NETWORK MIDDLE EAST”, “CHANNEL NEWS NETWORK WORLDWIDE”, “CHANNEL NEWS NETWORK AMERICA”, “CHANNEL NEWS NETWORK AFGHANISTAN” trademarks and the corresponding domain names <cnnme.com>, <cnnww.com>, <cnn-us.com>, and <cnnaf.com> were featured in the January 2002 edition of the *Country Commercial Guide Lebanon* published by the Embassy of the United States of America in Beirut, Lebanon. A copy of this guide appears in Exhibit J to the Response. Respondent Channel was also the subject of an entire half hour broadcast of the television program *Inside Business* broadcast locally and by satellite in early 2001 by NBN, a Lebanese national television broadcasting network. A copy of that broadcast has been provided on videotape as Exhibit K to the Response. Channel and its “cnn”based domain names were also featured in the Technology Section of the March 25, 2001 edition of the *Al Anwar Daily News* in a detailed article—a

copy of which appears in Arabic in Exhibit M to the Response.

Also, the Respondents state that Respondent Channel has entered business advertising arrangements with established corporations around the world including Marriott International, Inc. with regard to Marriott Vacation Club International, The Sheraton Corporation with regard to its Sheraton Damascus Hotel, Coldwell Banker Corporation and Fransabank, s.a.l. Each of these entities advertises on Respondent Channel's web sites and has determined that Respondent Channel's business and public image are presences with which they enjoy being aligned. Hard copies of various pages of some of the Respondent's web sites that depict these advertisements appear in Exhibit L to the Response.

Respondent Channel also states that it has invested significant time and money into promoting its web sites including those featuring the "cnn" letter string.

Hence, Respondent Channel states that its 1999 business plan which employed the disputed domain names and subsequent pursuit of that business plan are sufficient proof of Respondent Channel's demonstrable preparation to use the disputed domain names in connection with a bona fide offering of its news services. Furthermore, Respondent Channel continues to offer news services at web sites resolvable through the disputed web sites, further establishing its bona fide offering pursuant to paragraph 4(c)(i) of the Policy.

Lastly, Respondent Channel states that it has established its ownership and operation of a community of web sites before notice of the current dispute, further bolstering its bona fide offering of legitimate services under the disputed domain names.

Therefore, the Respondents conclude that Respondent Channel has significant rights and interests in all the disputed domain names.

### **3. Bad faith use and registration**

The Respondents contend that, contrary to the Complainant's view, the Respondents did not register any of the disputed domain names in bad faith.

First, the Respondents contend that Respondent Khouri did not reserve and Respondent Channel has not acquired the disputed domain names for the purpose of selling, renting, or otherwise transferring them to the Complainant or any other party.

Specifically, the Respondents state that Respondent Channel thoroughly planned its venture into the Internet news industry. Beginning in early 1999 and as noted above, Respondent Channel commissioned an extensive study and evaluation of the relevant market. Over the course of the following one and one half years, Respondent Channel continued its research and developed the necessary capital to achieve its ambitious goals. By November 2000, Respondent Channel began its operations and began adopting many of the domain names it now owns. As a prudent measure to prevent cybersquatting, Respondent Channel reserved as many domain names as it could embodying its

“CHANNEL NEWS NETWORK” mark and appropriate abbreviations.

Furthermore, the Respondents state that prior to and during the present action, Respondent Channel engaged in discussions with the Complainant. The Respondents further state that at no time did Respondent Channel offer to sell or rent the disputed domain names to the Complainant or any other entity. In that regard, Respondent Channel reserved those domain names for the purpose of putting those names to the above-described use, and not for the purpose of hijacking them. The Respondents state: “[t]hat Channel reserved many more names than it uses is evidence of Channel’s commitment to its business, not of its intent to high jack [sic] the names. It is sound business practice for companies to reserve as many domain names as they can afford to in order to prevent others from putting them to improper use. Had Cable [Complainant] adopted this policy, perhaps Channel would not have been allowed to adopt the domain names it did or perhaps Cable would have sold the domain names to Channel”.

Second, the Respondents contend that neither Respondent Khouri nor Respondent Channel registered the disputed domain names for the purpose of preventing the Complainant or any other party from reflecting the “cnn” letter string in their own domain names.

Specifically, the Respondents state that Respondent Channel has spent significant sums of money to develop and exploit its many news web sites. Because of its efforts, Respondent Channel now enjoys great success around the world, particularly in the Middle East. Presently, its news web sites target countries and regions on every continent. Respondent

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Channel has attracted as advertisers some of the largest corporations in the world. Furthermore, Respondent Channel has successfully registered trademarks in its home country and is currently seeking registration of its marks in other countries, too, including the United States. The Respondents state that at no time through the course of its development has Respondent Channel endeavored to prevent the Complainant or any other entity from using their own trademarks or conducting their own businesses.

Third, the Respondents contend that neither Respondents Khouri nor Channel registered the disputed domain names for the purpose of disrupting any party’s business.

In that regard, the Respondents state that at no time did Respondent Khouri or Channel seek to disrupt any other parties’ business and certainly they have never endeavored to disrupt the Complainant’s business. The Respondents contend that “Indeed, it would be virtually impossible for Channel to do so. Cable [Complainant] is one of the largest news outlets in the world. Channel is a small company focused on serving Middle Easterners and those interested in detailed coverage of Middle Eastern affairs. Channel’s size and scope is a mere fraction of what Cable has achieved and it is inconceivable that Cable’s business has or will be disrupted in any way due to Channel’s operations.

Neither Mr. Khouri nor Channel pretend to have the market power to disrupt—or even compete with—Cable. As detailed above, Channel has only ever intended to use the disputed domain names in furtherance of its own specific business plan.”

Fourth, the Respondents contend that neither Respondent Khouri nor Channel has attempted to attract, for commercial gain, Internet users by creating a likelihood of confusion with the Complainant’s CNN Mark as to the source, sponsorship, affiliation, or endorsement of the Complainant’s web sites or of a product or service on the Complainant’s web sites.

In that regard, the Respondents contend that while both the Complainant and Respondent Channel operate within the same general industry, their respective consumers look to the Complainant and Respondent Channel for drastically different reasons. Specifically, the Respondents contend that Respondent Channel has made its name in the international news market by offering non-biased coverage of Middle East news stories that are ignored by major media outlets. Its business purpose is not to attract Internet users looking for the Complainant’s news service, but merely to provide comprehensive Middle East coverage that is unavailable elsewhere.

Furthermore, the Respondents contend, for the reasons given above, that Respondent Channel uses the disputed domain names for its legitimate business purposes and in good faith. However, the Respondents take the position that only Mr. Khouri is the target of the Complaint. In their defense, the Respondents state that under no circumstances has Respondent Khouri used the disputed domain names in any way contrary to the Policy. Indeed, he has never used those names at all.

Hence, the Respondents contend that the Complaint must be dismissed or, alternatively, disregarded in large part and the relief sought against Mr. Khouri denied.

## **C. Additional Submissions**

Inasmuch as both the Complainant’s and the Respondents’ Additional Submissions were timely filed with the Forum, the Panel has fully considered them.

### **1. Complainant’s Additional Submission**

In its Additional Submission, the Complainant argued that, contrary to the views expressed by the Respondents, the Panel has jurisdiction over all the disputed domain names and also offered additional evidence to establish that: (a) the disputed domain names are confusingly similar to the Complainant’s CNN Mark and (b) the Respondents have acted in bad faith.

As to jurisdiction, the Complainant contends that all of the purported “Lebanese business entities” are in fact either founded, controlled, or managed by Respondent Khouri, as described in the Complaint. Furthermore, the Complainant documents this relationship, through a supplemental declaration of John D. Haynes (appearing in Exhibit A to the Complainant’s Supplemental Submission);

salient portions of which are as follows:

“3. It is my understanding that CNN first learned of Elie Khouri when CNN’s domain name monitoring service reported that nearly a thousand domain names had been

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registered containing the CNN Mark followed by a geographic identifier. At that time, Mr. Khouri was listed as the registrant of over 600 domain names that began with the letter string “CNN”.

4. Mr. Khouri was listed as the administrative contact for hundreds of other domain names registered under the names Presidente Advertising Agency, Channel News Network Hot Sales and Business Center, and variants thereof ...

15. ... It is clear, however, that Elie Khouri remained the unifying factor between all of the Domain Names and the various named registrants. In addition to registering hundreds of domain names in his own name, Mr. Khouri was also the General Manager of Presidente Advertising Agency and the Editor-in-Chief of Channel News Network. I also learned that Mr. Khouri formerly resided in the United States and had taken steps to incorporate an entity in Virginia (his former state of residence) under the name Channel News Network, Inc. after moving to Lebanon.

17. Channel, who Respondents now claim is in control of the Domain Names, was founded by Mr. Khouri. The original shares in Channel were distributed to Mr. Khouri, his son Fawzi Elie El Khoury, his brother Halim Fawzi El Khoury, and his brother’s son Charbel Halim El Khoury. *See* Exhibit B to the Response. Although Mr. Khouri apparently transferred his shares and those of his son to Fady Sobhi El-Qach, the remaining shares are still owned by his brother and his brother’s son. *See* Exhibit C to the Response. Mr. Khouri also remains the editor-in-chief of Channel and he continues to conduct business on Channel’s behalf....

18. Accordingly, if anything, the evidence offered by the Respondents bolsters CNN’s election to name Mr. Khouri as the respondent. Mr. Khouri admits that he is the founding member of Channel, admits that he registered most of the Domain Names at issue, and admits that he is intimately involved with the operation of the web sites posted to the Domain Names. CNN’s choice to name Mr. Khouri was therefore entirely appropriate.”

Further, the Complainant contends that it is immaterial whether the disputed domain names are in fact controlled by Mr. Khouri or are instead controlled by a business entity founded by Mr. Khouri because the Respondents have admitted that a single entity, Respondent Channel, is either the registrant or is in control over all of these names. In addition, the Complainant points to the Response as being a “full response from all the entities named in the Complaint”.

Hence, the Complainant concludes that the Panel may render a decision with respect to all of the disputed domain names because the entity (or entities) with control over those domain names has notice of this dispute and has in fact responded—regardless of whether that entity is “identified as Elie Khouri or one of the myriad of businesses founded by him and/or his relatives”.

As to confusing similarity, the Complainant first addresses the Respondent's Lebanese registrations and the purported linkage, advanced by the Respondent, that the existence of these registrations evidences the Complainant's recognition that there is no confusion between the Complainant's CNN Mark and the disputed domain names.

In essence, the Complainant states that any such linkage is baseless.

Specifically and contrary to Respondents' suggestion, there is no opposition procedure following publication in the Lebanese Trademark Office, though the Complainant can, however, file a cancellation action in Lebanese civil court. The Complainant states that it has refrained from doing so only because the Respondents have repeatedly offered to engage in discussions to reach a global settlement of all issues between the parties. The Complainant states that its forbearance does nothing to alleviate the inevitable confusion caused by Respondents' use of the disputed domain names.

Second, the Complainant points to the Respondents' suggestion that consumer confusion is unlikely because the Respondents "offer[s] an entirely different style and type of news." The Complainant states that this claim is not credible given the fact that both the Respondents and the Complainant provide news coverage of Middle Eastern events. As evidence of this, the Complainant states that "Elie Khouri, purporting to act on behalf of Channel, recently contacted one of CNN's foreign

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offices and requested that the Complainant, CNN, provide an estimate regarding the cost to Channel of purchasing 'Arabic political News feature and service' from CNN. See Supp. Haynes Decl. at Ex. 8 and ¶ 36. In light of the fact that Mr. Khouri apparently wishes to include CNN content on the Channel web site, this contention is blatantly false."

Finally, as to the registration and use of the mark "NFCNN" by Gannett, the Complainant states that Gannett uses three different stylized versions of the mark "NFCNN" in connection with "promoting the goods and services of others through distribution of coupons and product samples via newspapers" (copies of the NFCNN registrations are provided in Exhibit 9 to the Supplemental Haynes Declaration (itself Exhibit A) in the Complainant's Additional Submission). In view of this, the Complainant opines that "[t]his is hardly the same as providing competitive news content and is certainly not evidence of any tacit acknowledgement that Respondents' activity is anything other than illegal" and that "the NFCNN Mark used by Gannett is hardly equivalent to the pervasive and directly competitive use of the CNN Mark by Respondents".

With respect to bad faith, the Complainant contends that the Respondents did not refute that they were fully aware of the Complainant and the fame of its CNN Mark, and in spite of that knowledge, registered and began using the disputed domain names.

The Complainant notes that the Respondents offered evidence showing that their use began with

their election to adopt the name “CHANNEL NEWS NETWORK” and to abbreviate the name, in the context of use within domain names, according to the suggestion contained in a four-page Lebanon Index evaluation, i.e. to use “the best available abbreviation of the full Domain Names”. The Complainant contends, that even assuming this report is legitimate; it does not entitle the Respondents to trade wholesale on the CNN Mark for their own gain by having selected a mark that is identical to one of the most famous marks in the world in connection with news reporting.

As further evidence of prior knowledge, the Complainant points to the Respondent’s actions in attempting to register “CABLE NEWS NETWORK LEBANON” as a mark in Lebanon.

Specifically, the Complainant states that on December 1, 2000, before Respondents claim to have launched their Internet news services and only days after Respondent Channel was incorporated, the very same shareholders, including Respondent Khouri, incorporated a second entity, namely “CABLE NEWS NETWORK LEBANON sarl” and filed a trademark registration for the same. In that regard, paragraphs 36 and 37 of the Supplemental Haynes Declaration states:

“36. After filing the Complaint, I received additional evidence indicating that Mr. Khouri, acting together with the other founding members of Channel News Network Lebanon sarl, had also formed another Lebanese company under the name CABLE NEWS NETWORK—LEBANON sarl. I have attached hereto as Exhibit 7 true and accurate copies of the circulars emanating from the Commercial Registrar in Lebanon, together with certified translations, for both CHANNEL NEWS NETWORK LEBANON—sarl and CABLE NEWS NETWORK—LEBANON—sarl. These circulars show that CABLE NEWS NETWORK—LEBANON—sarl was incorporated by Mr. Khouri and the other shareholders (including Mr. Khouri’s son) on December 1, 2000, only one week after they incorporated CHANNEL NEWS NETWORK LEBANON—sarl.

37. In addition, I learned that, using the corporate name CABLE NEWS NETWORK LEBANON sarl, Mr. Khouri or someone else acting in the name of CABLE NEWS NETWORK (Lebanon) applied for registration of the mark CABLE NEWS NETWORK on January 23, 2002. The mark has since been registered and assigned Reg. No. 89580. A true and accurate copy of this registration is attached as the first page of Exhibit 7.”

Hence, the Complainant contends that “[f]rom the moment Channel was incorporated, Respondents intended to capitalize on the goodwill CNN has established in its CNN Mark”.

As further evidence of bad faith, the Complainant points to a settlement it made with the Respondents under which the Respondents, as a condition of their September 30th Joint Stay Request, agreed to transfer all the disputed domain names to the Complainant.

While the proceeding was stayed, the Respondents notified the Complainant that the former were no longer willing to transfer the names owing to the costs which the Respondents would incur in doing so.

On the day its Response was due, the Respondents contacted the Forum to request that the matter be dismissed because neither party filed a written request to reinstate proceedings; this request was denied.

The Complainant views the Respondents' actions in requesting a dismissal as a bad faith attempt by the Respondents to divert the Panel's attention from the fact that Respondents have already agreed to transfer all the disputed domain names to the Complainant and have transmitted their unconditional agreement to do so to the Forum. Given this, the Complainant states that any resolution of this dispute must give effect to the express agreement of the parties to transfer the disputed domain names to the Complainant. The Complainant cites to, e.g.: *Juventus F.C.S.P.A. v. Sergio Braganca*, D2000-1466 (WIPO, Dec. 20, 2000) (ordered transfer based on respondent's e-mail agreeing to transfer); *Efficient Networks, Inc. v. Speedstream*, D2000-1136 (WIPO, Dec. 10, 2000) (transferred domain names where respondent's counsel agreed in writing to transfer domain names); and *United Advertising Publications, Inc. v. Net Marketing*, D2000-0058 (WIPO, Mar. 31, 2000) (ordered transfer based on parties' agreement).

## **2. Respondent's Additional Submission**

First, as to the transfer of the domain names, Respondent Channel admits that it agreed to voluntarily transfer all the disputed domain names to the Complainant but only if that transfer could be handled in cost-free manner to Respondent Channel. Respondent Channel states that its unwillingness to complete the transfer arose out of an inability of the Complainant to secure a "free transfer" within the period of the 10-day stay. This, in turn, left the Respondents with no alternative but to file their Response, which they did. Therefore, the Respondents contend that any failure of the Complainant to secure its transfer of the disputed domain names, lies with the Complainant and not the Respondents.

Second, the Respondents argue, in effect and contrary to the Complainant's assertion, that Respondent Khouri is not an alter ego of Respondent Channel or of any of the other Lebanese business entities listed as Respondents—even though Mr. Khouri's family members have been involved in these entities over time. Accordingly, Respondent Khouri apparently contends that the Response is his alone and therefore does not extend to Respondent Channel and all the other business entities identified in the caption to the Complaint, though the Response "naturally addresses Channel's use, ownership and control of the disputed domain names." Therefore, the Respondents submit that since neither Channel nor any of the other business entities is a party to this proceeding, the Complainant failed to lodge its allegations against Channel or any of those entities and thus can not proceed against any of them in this proceeding.

Lastly, the Respondents again argue that by the express wording of the Forum's October 1st order—which markedly and irreconcilably differs from the parties' September 30 Joint Stay Request, the Complaint must be dismissed.

Specifically, the Respondents now point to an October 1st e-mail from the Case Administrator at

the Forum which stated, in pertinent part: “The National Arbitration Forum will resume administration of the dispute if either party withdraws its consent to the Stay. Otherwise, the proceeding will be terminated upon settlement or expiration of the Stay, whichever occurs first”. In view of this, the Respondents state that given the requirement imposed by the Forum in its October 1st order for either party to affirmatively request to the Forum that the proceeding be resumed—as evidently reflected in the October 1st e-mail, Mr. Khouri naturally waited from October 1st until October 11th (the 10-day stay period plus the additional day accorded him to file a Response) to see if the Complainant filed such a request. Upon learning from the Forum that the Complainant had not filed such a request, Mr. Khouri asked the Forum to allow him to file a “special submission” requesting that the provisions of the October 1st order be invoked and the Complaint dismissed. The Respondents state that, in discussions with the Forum’s Case Administrator on October 11, 2002, the latter recognized the irreconcilable inconsistency between the Joint Stay Request and the October 1st order and, offered to consult with the Forum’s legal staff to resolve the inconsistency but, pending its resolution, was

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unwilling to enforce the October 1st order. Later on October 11th, the Case Administrator informed the Respondents, that, based on information she received from the Forum’s legal staff, they should submit their argument in favor of dismissal to the Panel as it had the ultimate authority to decide the issue.

## **FINDINGS**

### **A. Disputed Domain Names**

All the disputed domain names are of the form “ccn + x.gTLD” where x is a certain suffix. Given the commonality in suffix types, Appendix A hereto [omitted] lists these names in alphabetical order and grouped by suffix type, i.e. country name or country abbreviation (268 names); geographic region (17 names); generic or descriptive term (10 names); and a 2 or 3 lettering grouping (12 names).

Of the 325 disputed domain names, 299 of them are registered with DomainBank.com (299 names) located at 824 8th Avenue, Bethlehem, Pennsylvania 18018; another 22 of the names are registered with eNIC (22 names—all ending in .bz) located at 10 Universal City Plaza, 10th Floor, Universal City, California; and the remaining three names (ending in .biz) are registered with IHOLDINGS.COM, INC. d/b/a DOTREGISTRAR.COM located at 13205 SW 137th Ave., Suite 133, Miami, Florida 33186. Appendix B hereto [omitted] lists the disputed domain names also in alphabetical order but grouped by registrar.

Hard-copy printouts of WhoIS entries for those disputed domain names originally registered in the name of Respondent Khouri and listing that Respondent as the administrative contact appear in Exhibit A-5 to the Complaint. These names were registered during late November 2000.

## B. Complainant's CNN Mark

The Complainant has registered its CNN Mark in virtually every country in the world, including the United States and Lebanon. Its US registration, the pertinent details of which follow below, is now incontestable pursuant to §15 of the Lanham Act (15 U.S.C. §1065). The Complainant has provided a copy of the registration certificate for this service mark in Exhibit B-2 to the Complaint.

Mark: CNN (stylized)

US registration 1,597,839; registered May 22, 1990

This service mark was registered for use in connection with: "cable and television broadcasting services" in international class 38. This mark claims first use and first use in inter-state commerce of February 13, 1985.

The Complainant has also provided a copy of its counterpart Lebanese service mark registration (number 61820) for this same mark, registered on November 3, 1993 in Exhibit B-3 to the Complaint. The Complainant also owns numerous trademark registrations and pending trademark applications, both in the United States for marks that incorporate the term "CNN".

## C. Complainant and its Activities

The Complainant has used its CNN Mark for more than twenty years to identify itself and its cable and satellite broadcast network "CNN". The Complainant has also used its CNN Mark in conjunction with numerous international web sites and broadcast networks dedicated to bringing targeted news and information to various geographic regions of the world, including several international web sites offered in a native language of each such geographic region. In that regard, the Complainant currently operates native language web sites in Arabic, Spanish, Portuguese, German, Italian, Japanese, Korean and Turkish. Many of these web sites are branded using the CNN Mark and the name of the region or country, such as CNNARABIC.COM and CNNITALIA.IT.

The Complainant, CNN, is an international media and entertainment company with its principal place of business in Atlanta, Georgia. The Complainant's news and information services are available to more than one billion people worldwide through fifteen cable and satellite television networks (including CNN, CNN Headline News, CNN International, CNNfn, and CNN en Español); three private, geographic-based networks; two radio networks; CNN Mobile, which provides news and information to mobile devices; CNN Newsource, which is an extensive syndicated news service; and numerous related web sites.

The core of the Complainant's business is its 24-hour news and information cable television network, "CNN", which provides in-depth, live coverage of breaking news events

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and programs on business, finance, weather, sports, entertainment, health and science. The Complainant has more than 600 broadcast affiliates around the world and can be seen in 73 million U.S. households and over 110 million international households. The Complainant also broadcasts CNN International (“CNNI”), the world’s only global 24-hour news network, which can be seen in more than 160 million television households in 212 countries and territories worldwide through a network of 23 satellites. Since September 1997, CNNI has been regionalized into six separate regional editions: CNNI Europe/Middle East/Africa; CNNI Asia Pacific; CNNI South Asia; CNNI Latin America; CNNI North America; and CNNI USA/fn. These editions provide viewers in every region of the world with news and programming of targeted, local interest.

The Complainant was one of the first companies to recognize the power and international reach of the Internet and, accordingly, currently operates numerous different web sites dedicated to providing news and information services worldwide. The Complainant’s flagship web site located at “www.cnn.com”, is a world leader in on-line news and information delivery, and provides 24-hour, up-to-the-minute access to accurate news and information. Among the Complainant’s other web sites are nine web sites dedicated to bringing targeted news and information to various geographic regions of the world in their native language, including Arabic, Spanish, Portuguese, German, Italian, Japanese, Korean, and Turkish. For uniformity in branding, each of these web sites is operated under domain names that include the CNN Mark. To target the sites to local users, the domain names for the sites also include a geographic or language identifier. Examples include <CNNARABIC.COM>(Arabic language site); <CNNENESPANOL.COM> (Spanish language site), <CNNJAPAN.COM>(Japanese language site), <CNNITALIA.IT> (Italian language site), and <CNNEMPORTUGUES.COM>(Portuguese language site). In addition to the foregoing, CNN owns registrations for hundreds of other domain names that consist of the CNN Mark followed by a geographic identifier and that direct Internet users to CNN’s regional web sites. A partial list of CNN’s domain names is attached as Exhibit 1 to the Sams Declaration (declaration of Louise Sams appearing in Exhibit B to the Complaint).

Collectively, the Complainant’s web sites average more than 650 million page impressions per month. In recognition of the quality and journalistic integrity of the Complainant’s web sites, those sites have been honored with numerous awards, including the “Best News Site Award” issued by the American Journalism Review, Yahoo’s Internet Life 5-Star award, New Media’s InVision award and the News/Information Site of the Year from the Academy of Interactive Arts and Sciences.

At least as early as 1980, the Complainant adopted the service mark CNN, which it has continuously used since that time, to identify its numerous electronic news and information services. The Complainant has also used the term “CNN” in the names of all of its broadcast networks, thereby creating a “family” of CNN based marks.

The Complainant has also made extensive use of its CNN Mark in Lebanon, where Respondent Khouri currently resides. Through the Complainant’s prominent and longstanding use of its CNN Mark

(among other similar marks) in Lebanon, and throughout the world, that mark has acquired worldwide fame, including in Lebanon, well prior to the actions of the Respondents.

#### **D. Respondent and its Activities**

Respondent Khouri has previously resided in the United States for approximately 15 years—most recently in the State of Virginia, prior to relocating to Lebanon. He is the current or former president of several corporations registered to do business in Virginia, including Respondent Channel which itself was incorporated in February 13, 2001. The Complainant has provided a copy of a status report for this latter corporation as issued by the Virginia Secretary of State (corporate records) in Exhibit 4 to the Haynes Declaration (declaration of John D. Haynes which itself forms Exhibit A to the Complaint).

Respondents Channel News Network, Presidente Advertising Agency, Presidente Advertising Co. sarl, and Hot Sales & Business Center are established valid and existing Lebanese business entities. Presidente Advertising Agency and Presidente Advertising Co. sarl are one company operating as Presidente Agency sarl. Hot Sales and Business Center is a Lebanese registered trademark owned by Presidente Agency sarl on behalf of Channel.

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Each of the disputed domain names is now registered to or controlled by Channel. Channel is the sole entity operating web sites at the domain names identified in the Complaint. Respondent Khouri and the other listed entities reserved certain domain names for Channel. Currently, Respondent Khouri is Editor in Chief of Channel and, in that role, is responsible for content that is disseminated by Channel.

With respect to the history of Respondent Channel, at least as early as the beginning of 1999, Respondent Channel's promoters were investigating the prospect of offering Internet portals for Middle East regional news worldwide. By April, 1999, those promoters commissioned Lebanon Index to prepare a business plan analysis and market study to determine the commercial need for region-specific news via the Internet. A copy of the resulting analysis and study appears in Exhibit H to the Response. In its evaluation, Lebanon Index identified a high demand for English language web sites that provide non-biased news and information concerning the Middle East and Lebanon particularly. The Lebanon Index evaluation contemplated an initial launch of a Lebanese and Middle Eastern Internet portal, but an eventual expansion to web portals serving regions and countries worldwide. Lebanon Index's evaluation called for the reservation of many domain names based upon the "CHANNEL NEWS NETWORK" name followed by a country or regional identifier (e.g., <ChannelNewsNetworkLebanon.com>, <ChannelNewsNetworkKuwait.com>, <ChannelNewsNetworkSaudiArabia.com>, etc.). Because including the complete company name in this naming protocol was cumbersome, the Lebanon Index evaluation suggested adopting a suitable abbreviation. To ensure market penetration and to protect

Respondent Channel against cybersquatters, the Lebanon Index evaluation determined that Channel should “acquire the maximum registration of domain names in Lebanon, USA and all the available registrars and country extensions in the world.”

The Lebanon Index evaluation stated that Respondent Channel’s goals could be met over the course of four to five years at a cost of approximately US \$30,000,000.00. As 1999 and 2000 progressed, Channel’s promoters actively sought investment money and aggressively went about establishing a business designed to achieve the goals set forth in the Lebanon Index evaluation. By the end of November 2000, Channel was formed and had registered most of the many domain names contemplated in the Lebanon Index evaluation and many of the domain names disputed in this action. By this time, investors and early consumers had expressed a need for a shorthand way to express the complete corporate name for the purpose of typing the domain names. Many of the domain names included the entire corporate name, but others included the “cnn” letter string—as an abbreviation for Respondent “Channel News Network”.

On November 24, 2000, Respondent Channel was formed as a Lebanese Limited Liability Partnership Company (Société à Responsabilité Limitée (“S.A.R.L.”)) pursuant to its Articles of Association. (a copy of these articles, in English translation, appear in Exhibit B to the Response). Respondent Khouri received fifty of 500 issued shares when Channel was formed. On April 22, 2002, Respondent Khouri, through a transfer deed of shares, sold his shares to Mr. Fadi Sobhi El-Qach and transferred 200 issued shares from his son, Elie Fawzi El-Khoury, to Mr. El-Qach. A copy of a corresponding deed of transfer appears in Exhibit C to the Response.

The founding vision of Respondent Channel was to provide a virtual representation of Lebanon to the rest of the world. Channel’s flagship web site, <ChannelNewsNetwork.com>, offers users comprehensive news coverage of local Middle Eastern news, politics, business, health, travel, and tourism. Since launching its flagship site, Channel has established hundreds of web sites targeted to Middle Easterners living in different countries and regions around the world, each providing the same brand of coverage available under the ChannelNewsNetwork.com web site.

Furthermore, on December 1, 2000—one week after Respondent Channel was incorporated in Lebanon, Respondent Khouri and others, including his son, formed another Lebanese company under the name “CABLE NEWS NETWORK—LEBANON, sarl”(as indicated in copies of circulars, from the Commercial Register in Lebanon, provided in Arabic and English translation, in Exhibit A-7 to the Complainant’s Additional Submission).

After holding the disputed domain names for over a year, Respondent Channel began posting news content to the Internet under

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most of the disputed domain names. Respondent Channel's web sites are currently organized into regional sub-sites that it brands prominently with variants of term "CNN", including, e.g., CNNAMERICA and CNNAFGHANISTAN. Printouts from several of the web sites posted to the disputed domain names are attached as Exhibit A-2 to the Complaint. In addition to the news services that Respondents offer on their sites, Respondent Channel also provides links to other commercial web sites that it operates, such as "CNNStores.com," which offers online shopping to visitors of that news site.

Respondent Channel invested significant time and money into promoting its web sites including those featuring the "cnn" letter string.

In June 2001, Respondent Khouri was featured in the magazine *Masculin* for his role as Editor in Chief of Channel's news web sites. The article about Mr. Khouri (a copy of which appears in Exhibit I to the Response) features the "CHANNEL NEWS NETWORK" and "CNNME" marks as well as the <cnnme.com> domain name. Later, Respondent Channel's "CHANNEL NEWS NETWORK MIDDLE EAST", "CHANNEL NEWS NETWORK WORLDWIDE", "CHANNEL NEWS NETWORK AMERICA" and "CHANNEL NEWS NETWORK AFGHANISTAN" trademarks and the corresponding <cnnme.com>, <cnnww.com>, <cnn-us.com>, and <cnnaf.com> domain names were featured in the January 2002 edition of the *Country Commercial Guide Lebanon* published by the Embassy of the United States of America in Beirut, Lebanon (a copy of that guide appears in Exhibit J to the Response). Respondent Channel was also the subject of an entire half hour broadcast of the television program, *Inside Business*, broadcast locally and by satellite in early 2001 by NBN, a Lebanese national television broadcasting network (a videotape of that broadcast was provided as Exhibit K to the Response). Respondent Channel and its "cnn"-based domain names were also featured in the Technology Section of the March 25, 2001 edition of the *Al Anwar Daily News* in a detailed article, a copy of which appears in Arabic in Exhibit M to the Response.

Respondent Channel currently provides unbiased in-depth reporting on Middle Eastern affairs and specifically reporting on Middle Eastern news that other media outlets overlook. Presently, Channel's news web sites target countries and regions on every continent. Channel has garnered a devoted following among Middle Easterners living around the world, particularly ex-patriots living in the United States. In that regard, hard copies of home pages of various web sites operated by Respondent Channel through some of the disputed domain names appear in Exhibit L to the Response.

Respondent Channel has entered business advertising arrangements with Marriott International, Inc. with regard to Marriott Vacation Club International, The Sheraton Corporation with regard to its Sheraton Damascus Hotel, Coldwell Banker Corporation and Fransabank, s.a.l. As shown in the hard copy printout of Respondent's web pages appearing in Exhibit L to the Response, each of these entities advertises on the Respondent Channel's web sites.

On May 1, 2001, the Lebanese DIP issued to Respondent Channel Lebanese trademark

registrations 85980 for the mark “CHANNEL NEWS NETWORK” and 85981 for the mark “CHANNEL NEWS NETWORK LEBANON THE ARAB NEWS ONLINE”, both in international class 35 and for use in connection with “advertisement, publicity and media through internet network, grouping of information, advertisements and news from internet”. Copies of these registrations, both in Arabic and English translation, respectively appear in Exhibits D and E to the Response.

On September 1, 2001 and January 23, 2002, the Lebanese DIP issued Lebanese trademark registrations 86022 to Respondent Channel for the mark “CNNLB” and 89581 for the mark “CHANNEL NEWS NETWORK MIDDLE EAST ARAB NEWS ONLINE—CNNME”, both in international class 35 and for use with “advertisement, publicity and media through internet network, grouping of information, advertisements and news from internet.” Copies of these registrations, both in Arabic and English translation, respectively appear in Exhibits F and G to the Response.

The Complainant did not attempt to oppose or cancel any of these registrations, though questions exist, in the Panel’s mind, as to whether Lebanese law permits filing an opposition once a mark is published and the proper

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forum (Lebanese DIP of the Lebanese courts) for filing a cancellation action.

Of 607 CNN-based domain names previously registered by Respondent Khouri (all of the same form as the disputed domain names), the registrations for most of those names (including some of the disputed domain names) have now expired. A listing of all those 607 names is provided in Appendix A-1 of the Complainant’s Additional Submission.

On January 23, 2002, Respondent Khouri and/or others acting on behalf of CABLE NEWS NETWORK (Lebanon) applied, to the Lebanese DIP, to register the mark “CABLE NEWS NETWORK”. The mark has since been registered to CABLE NEWS NETWORK (Lebanon) as registration 89580. A copy of this registration appears as the first page in Exhibit A-7 to the Complainant’s Additional Submission.

Furthermore, Respondent Khouri contacted one of the Complainant’s foreign representatives (Ms. Caroline Faraj), via e-mail, on or about October 9, 2002 and requested that the Complainant provide a quotation regarding the amount which it would charge Respondent Channel to provide that Respondent with the Complainant’s Arabic political news content for inclusion on Respondent Channel’s web sites. A copy of that e-mail appears in Exhibit A-8 to the Complainant’s Additional Submission. This e-mail indicates that Respondent Khouri previously made the same inquiry to the Complainant during March 2002.

## **E. Settlement Activities between the Complainant and the Respondents**

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On September 28, 2002, counsel for Respondents contacted counsel for the Complainant and indicated that Respondents were willing to transfer all the disputed domain names to the Complainant in order to settle their dispute. The parties agreed that the present proceeding would be stayed for a 10-day period in order to provide Respondents with sufficient time to transfer the names and thus filed their Joint Stay Request to suspend the proceeding. The Forum issued its October 1st order which implemented the stay but which contained a provision (last paragraph of the order) not present in and irreconcilable with the Joint Stay Request, namely:

“If this matter is not settled and the Complaint withdrawn, one of the Parties must submit a request to the Forum to continue the Administrative Proceeding by October 10, 2002, or the Complaint will be withdrawn by the Forum and the file closed”.

Although, the transfer was intended to be cost-free to the Respondents, difficulties arose during the period of the stay that precluded it. As a result, the Respondents did not transfer the domain names to the Complainant but filed their Response instead on October 11, 2002—the last day on which they could do so.

The Respondents had waited from October 1st until October 11th (the 10-day stay period plus the additional day accorded them to file a Response) to see if the Complainant filed a request with the Forum to continue the proceeding. Upon learning from the Forum that the Complainant had not filed such a request, Respondent Khouri asked the Forum to allow him to file a “special submission” requesting that the provisions of the October 1st order be invoked and the Complaint dismissed. The Forum, through its October 11th order, denied this request and, owing to the irreconcilable difference between the Joint Stay Request and the October 1st order, did not enforce its October 1st order in deference to a decision from the Panel on the effect of the difference.

### ***DISCUSSION***

Paragraph 15(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”) instructs this Panel to “decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable.”

#### **A. Threshold Issues**

##### **1. Choice of Law**

Given that the Complainant is a US-based corporation and that the Respondents choose to register each of the disputed domain names through a US registrar, it is only reasonable for the Panel to utilize US law to the extent needed for guidance on any appropriate question of law.

##### **2. Jurisdiction**

Though the issue of whether the Panel has jurisdiction over all the disputed domain names has

engendered considerable and spirited argument between Counsel, the Panel can dispose of it rather succinctly.

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[1] Regardless of which specific individual registered the disputed domain names, Respondent Channel by its own admission engaged Respondent Khouri to register all the disputed domain names for its behalf and ultimately for its own use. Those domain names were in fact so registered and, at least as to some of those names, then used by Respondent Channel to resolve to corresponding web sites it then operated and continues to operate. For purposes of assessing jurisdiction, the Panel will consider all the disputed names together—including those particular names that remain active but are not in use and those for which their corresponding registrations expired and were not renewed.

Though Mr. Khouri may have attempted to shield himself from legal liability for use of the names by transferring his ownership in Respondent Channel to his family members, the fact remains that he possesses managerial and editorial control over the activities of Respondent Channel and has acted in furtherance of those duties. Under U.S. law, Mr. Khouri and those of all the current owners of Respondent Channel owe a fiduciary duty of care to Respondent Channel with respect to any actions each has actually taken, should have taken or did not take on behalf of Respondent Channel. Any breach of that duty by any of those individuals, such as Mr. Khouri, permits the corporate shell to be pierced with ultimate liability for those actions flowing back through Respondent Channel to the responsible individuals. Hence, all these individuals and entities are correctly included as respondents in the present proceeding.

Further, Mr. Khouri, Channel and all other business entities that had any role in registering and using any of the disputed domain names, have any possible rights in any of these domain names and would be adversely affected by a decision involving any of those names are now before this Panel as respondents in this proceeding. Inasmuch as the Response, filed by the Respondents, captions all those individuals and entities and is evidently filed on behalf of all of them and with their approval, there can be no question that each of those parties has received requisite notice of this proceeding and has now appeared. See *Bandon Dunes L.P. v. DefaultData.com*, D2000-0431 (WIPO, July 13, 2000) (holding that “[i]t is essential to dispute resolution procedures that fundamental due process requirements be met. Such requirements include that a respondent has notice of proceedings that may substantially affect its rights. The Policy and the Rules establish procedures intended to assure that respondents are given adequate notice of proceedings initiated against them, and a reasonable opportunity to respond.”).

Not only has each of those Respondents, under established and fundamental principles of due

process that underlie both the Policy and Rules, received a full, fair and complete opportunity to be heard but also, in fact, each one has availed itself of that opportunity through its active and collective participation in this proceeding.

Hence, regardless of whether different ones of the Respondents actually registered and used each of the disputed names, the Panel concludes that it has proper jurisdiction, in this proceeding, over both all these Respondents and all the disputed domain names.

### **3. Respondent's Request to Dismiss the Complaint**

In their Response, the Respondents have requested that the Panel dismiss the Complaint. The Respondents base their request on the undisputed fact that neither party, pursuant to the Forum's order of October 1, 2002, filed a request by October 10, 2002 with the Forum to resume this administrative proceeding.

The parties, through their Joint Stay Request of September 30, 2002 simply and solely requested the Forum: to (a) stay the proceeding by ten days to permit the parties to resolve the matter, and (b) barring such a resolution within that time, accord the Respondent one further day to file its response.

[2] Neither party, in the Joint Stay Request, requested the Forum to order the Complaint withdrawn if neither party submitted a request to continue the proceeding. The Forum instituted this requirement on its own volition, though probably inadvertently. Nevertheless, this requirement extended beyond the relief which the Parties requested by joint stipulation. While the Forum has the power, under paragraph 6 of the Supplemental Rules to grant stipulated requests for extensions of time, only the Complainant, under paragraph 12(c) of the Supplemental Rules and not the Forum, has the right to request, prior to the selection of the administrative panel, that its complaint be withdrawn. The Complainant has made no such request here. As such, the

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Forum, under the present facts and acting in its own discretion, does not have the power to unilaterally order that the Complaint be withdrawn let alone in the absence of either party first making a request to the Forum to continue the proceeding.

Hence, the Panel views that the Forum exceeded its authority, however inadvertent, by imposing such a requirement in its October 1st order.

Therefore, the Panel views the Parties' Joint Stay Request as controlling and reforms the Forum's October 1st order to conform to the Joint Request, but to go no farther than just granting the extension therein requested. Consequently, the Panel strikes the last paragraph from the Forum's October 1st

order.

Accordingly, under Forum's order of October 11, 2002, which is now consistent with the Forum's October 1st order, as revised by the Panel, the Panel, given that the stay has expired, has jurisdiction to consider this matter on its merits and rule thereon.

Furthermore, even if this Panel were of a mindset to grant the Respondents' dismissal request, then all the Complainant would do is simply re-file its Complaint in order to initiate a new administrative proceeding. In doing so, the Complainant would incur a significant filing fee (presumably of the same magnitude as it paid here). In all likelihood, both sides would then simply re-submit their pleadings, which they previously filed here. Since all the pleadings are now before this Panel, the Panel sees no prejudice otherwise accruing to the Respondents should the Panel now consider this proceeding on its merits but does see prejudice, in terms of added cost and delay, to the Complainant, should the Panel interpret the Forum's October 1st order, coupled with the Respondents' informal request, in a manner that mandates a dismissal.

Furthermore, the Respondents, in their Response and Additional Submission, failed to provide any indication as to how, if at all, any of them would be prejudiced if the Panel were to move forward with this proceeding. In the absence of any such indication, the Panel sees no such prejudice.

Accordingly, the Respondents' request for dismissal of the Complaint is *DENIED*.

## B. Policy Elements

Paragraph 4(a) of the Policy requires that the Complainant must prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

- (1) the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (2) the Respondent has no rights or legitimate interests in respect of the domain name; and
- (3) the domain name has been registered and is being used in bad faith.

### 1. Identical and/or Confusingly Similar

[3] In essence, the Panel finds that confusion unquestionably and inevitably arises as a result of the Respondents' use of the disputed domain names as corresponding addresses of their web sites. Further, the Panel can conceive of no situation where confusion would not likely arise out of the Respondents' use of any of those names with directly competitive service offerings or a transfer of that name to a third-party not affiliated with the Complainant for use with a web site offering news and other information services similar to those now provided by the Complainant.

Now, recognizing that the disputed domain names fall into four broad types—as indicated in

Appendix A hereto [omitted], the Panel, for purposes of simplicity and economy of effort, will collectively treat the names that constitute each type and provide, to the extent appropriate, its specific reasoning applicable to each type (rather than separately discussing each and every name).

First, to further simplify matters, the insertion of a hyphen between two portions of a domain name, such as “cnn” and “brazil” to form *<cnn-brazil.com>* as contrasted with a non-hyphenated version *<cnnbrazil.com>* is so de minimus a variation as to have absolutely no effect on ameliorating user confusion. If one form of any such domain name is sufficiently similar to a mark, then the other form is just as similar as well. Accordingly, the Panel will ignore all such hyphens in its analysis. See, e.g., *Southwest Airlines Co. v. TRN*, D2002-0893 (WIPO, Nov. 18, 2002) and *MPL Communications, Limited and MPL Communications, Inc. v LOVEARTH.net*, FA 097086 (Nat. Arb. Forum, June 4, 2001).

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Second and to afford additional simplification, numerous ICANN panel decisions have consistently established the principle that any gTLD in a domain name is to be totally ignored when assessing similarity between that name and a complainant’s mark, as inclusion of any such gTLD is utterly insufficient to ameliorate confusion with the mark. See, e.g., *NetWizards, Inc. v. Spectrum Enterprises*, D2000-1768 (WIPO, Apr. 4, 2001); *MSNBC Cable, LLC v. Tsysys.com*, D2000-1204 (WIPO, December 8, 2000); *Wine.com, Inc. v. Zvieli Fisher*, D2000-0614 (WIPO, Sept. 11, 2000); and *Lana Marks, Ltd., Inc. v. SYP Web*, D2000-0304 (WIPO, June 23, 2000). The Panel sees absolutely no reason to diverge from strictly adhering to that principle here.

**a. cnn + (country name or country abbreviation) (names numbered 1-286 in Appendix A)**

The Complainant provides its Internet based news and information services in various countries using domain names formed by prepending its registered CNN Mark to a country name, such as France and Germany to form *<cnnfrance.com>* and *<cnngermany.com>*, respectively.

Each of these 286 disputed domain names contains the “CNN” Mark followed by a country name or two letter country abbreviation and formed using the same naming convention as does the Complainant.

In the Panel’s view, mere inclusion of a country name or a corresponding well-known abbreviation therefor (such as “au” for Australia, “de” for Germany, or “uk” for the United Kingdom) is clearly insufficient, in general and particularly here, to dispel user confusion from occurring. In fact, given the manner through which the Complainant regularly forms a domain name for use in various countries through concatenating its CNN Mark with the name of that country, Internet users located in a specific

country, such as in Australia, Holland or the United Kingdom, who seek the Complainant's web site unique to that country, and are familiar with the Complainant's naming convention, would naturally think to form a domain name in the same manner, then enter that name into a web browser as a component of a URL and expect to reach the Complainant's web site for that specific country. However, upon doing so (e.g., by entering <*cnaustralia.com*>—name 29; <*cnnholland.com*>—name 123; or <*cnnunitedkingdom.com*>—name 265), they would reach the Respondent's corresponding site instead.

The Panel takes notice of the enormous number of worldwide Internet users that visit the Complainant's web sites and/or are familiar with the Complainant through its cable broadcasts and the indisputable fame of the Complainant's CNN Mark. Hence, these disputed domain names present considerable potential for user confusion. See, particularly, *eBay Inc. v. G L Liadis Computing, Ltd. and John L. Liadis d/b/a G L Liadis Computing Ltd.*, D2000-1463 (WIPO, Jan. 10, 2001).

Also, see, e.g., *AT&T Corp. v. WorldclassMedia.com*, D2000-0553 (WIPO July 28, 2000) where the panel found confusing similarity to the mark AT&T by domain names formed by including a geographic descriptor following the term ATT. See also *America Online, Inc. v. Dolphin@Heart*, D2000-0713 (WIPO Aug. 24, 2000) in which the panel there held: "The addition of the name of a place to a service mark, such as the addition of 'France' to 'AOL' is a common method for specifying the location of business services provided under the service mark. The addition of a place name generally does not alter the underlying mark to which it is added." The panel then concluded: "A consumer or user of the Internet viewing the address 'www.aolfrance.com' is likely to assume that Complainant is the sponsor of or associated with the website identified by the disputed domain name, particularly in light of the fact that Complainant routinely uses its 'AOL' service mark in combination with country names in its advertisements on the Internet." Such is indeed the case here with respect to Complainant, CNN, and its CNN Mark. Also, for similar holdings, see, *Wal-Mart Stores, Inc. v. Walmarket Canada*, D2000-0150 (WIPO May 2, 2000) and *Cellular One Group v. Paul Brien*, D2000-0028 (WIPO Mar. 10, 2000).

#### **b. cnn + (geographic region) (names numbered 287-303 in Appendix A)**

The Complainant also forms various domain names by appending various regional geographic descriptors, such as "Afrique", "Asia" and "LatinAmerica" to its CNN Mark. The Complainant uses those domain names as addresses of its regional web sites through which it provides its Internet based

news and information services to Internet viewers on a regional basis.

As with country names and country abbreviations, it is eminently reasonable to expect Internet users who are familiar with the Complainant's services—of which that user community, throughout the world,

is clearly considerable—to form a domain name to reach any of the Complainant’s regional sites by appending a geographic descriptor for that region to the mark “CNN” in much the same way as Complainant now does. Examples of such domain names used by the Complainant include: <cnnafrique.ch> and <cnneurope.com>. However, upon entering, e.g., <cnnafrica.com>—name 288; <cnneu.com>—name 294 or <cnneurope.bz>—name 295 (with the abbreviation “eu” being synonymous for “Europe”); or <cnunitedkingdom.com>—name 265, they would reach the Respondent’s corresponding site instead.

Through applying the same analysis described above for assessing the cnn + (country name or country abbreviation) names, the Panel finds that those disputed 17 names that incorporate various geographic descriptors present the very same potential, as do the former names, for causing considerable user confusion.

### **c. cnn + (generic or descriptive term) (names numbered 304-313 in Appendix A)**

These 10 disputed domain names include the CNN Mark followed by a generic or descriptive term, such as “arabic”, “commercial”, “shoppingcenter” and “stores” to form corresponding domain names <cnnarabic.bz>, <cnncommercial.com>, <cnnshoppingcenter.com> and <cnnstores.com>.

Appending a generic or descriptive term, including any of those contained in these disputed names, to the Complainant’s CNN Mark to form each of these names also does nothing to dispel user confusion; in fact, it likely exacerbates the confusion. In that regard, any Internet user familiar with the Complainant and its “CNN” network—which, as noted above, is apt to be a considerable number of such users as well as that of the worldwide population in general—and when confronted with any of these ten disputed domain names would very likely, if not reflexively think, that this name and there through the Respondent Channel was affiliated in some fashion with the Complainant. In fact, it is rather inconceivable to this Panel that any such user would likely think otherwise. See, e.g., *Viacom Int’l, Inc. v. Matrix Mgmt and T. Parrott*, D2001-1442 (WIPO, Mar. 11, 2002).

### **d. cnn + (2 or 3 letter group) (names number 314-325 in Appendix A)**

As to the last 12 disputed domain names, each of these contains the CNN Mark followed by a two or three letter grouping, such as “cs”, “gb”, “gg”, “ps” and “xms” to form corresponding domain names <cnnncs.com>, <cnnngb.bz>, <cnnngg.com>, <cnnnps.com> and <cnnxms.com>.

The Panel finds that in view of the extensive worldwide notoriety and reputation of the CNN Mark, merely appending a 2 or 3 letter group, including those used by the Respondents, to the CNN Mark to form each of these 12 disputed domain names fails to sufficiently distinguish the resulting domain name from the CNN Mark so as to sufficiently ameliorate any potential for user confusion. In fact, given the worldwide notoriety and reputation enjoyed by the CNN Mark, adding such a 2 or 3 letter suffix to that mark accentuates a likelihood of user confusion. Whether this confusion, in terms of some observable

metric, would quantitatively or even qualitatively be as pronounced as that which results for names in each of the other three disputed domain name types is a question which need not concern this Panel. All the Panel needs to decide is whether, for each of these 12 names, confusing similarity exists or not. We find that is does.

With the above in mind, there is no question in the Panel's mind, that particularly given the sheer number of CNN-based domain names which the Respondents have registered (325 of them are presently in dispute) coupled with the Complainant's continuous use of its CNN Mark over the past 20 years through which that mark has developed an extraordinarily extensive, worldwide reputation and fame, that the Respondents formed these names with one basic purpose in mind: to leverage off and benefit from the Complainant's reputation by causing and opportunistically exploiting inevitable user confusion with the Complainant's CNN Mark.

The confusion would cause and undoubtedly has caused Internet users intending to access any of the Complainant's web sites to

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think that an affiliation of some sort exists between the Complainant and Respondent Channel, when, in fact, no such relationship would exist at all. See, e.g., *Southwest Airlines Co. v. TRN*, cited *supra*, *Pfizer Inc., A Delaware Corporation v. RE THIS DOMAIN FOR SALE—EMAIL*, D2002-0409 (WIPO, July 3, 2002); *Peter Frampton v. Frampton Enterprises, Inc.*, D2002-0141 (WIPO, Apr. 17, 2002); *MPL Communications, Limited and MPL Communications, Inc. v. LOVEARTH.net*, FA 97086 (Nat. Arb. Forum June 4, 2001); *MPL Communications, Limited et al v. IWebAddress.com*, FA 97092, (Nat. Arb. Forum June 4, 2001); *American Home Products Corp. v. Malgioglio*, D2000-1602 (WIPO, Feb. 19, 2001); *Surface Protection Indus., Inc. v. The Webposters*, cited *supra*; *Dollar Financial Group, Inc. v. VQM NET*, FA 96101 (Nat. Arb. Forum Jan. 25, 2001); *eBAY Inc. v. GL Liadis Computing, Ltd*, D2000-1463 (WIPO, Jan. 10, 2001); *Treeforms, Inc. v. Cayne Indus. Sales Corp.*, FA 95856 (Nat. Arb. Forum Dec. 18, 2000); and *The Pep Boys Manny, Moe and Jack of California v. E-Commerce Today, Ltd.*, AF-0145 (eResolution May 3, 2000).

Accordingly, the Panel finds that sufficient similarity exists under paragraph 4(a)(i) of the Policy between each of the disputed domain names and Complainant's CNN Mark.

## 2. Rights or Legitimate Interests

[4] There is simply no question that not only do the Respondents not have any legitimate rights or interests in any of the disputed domain names but it is extremely unlikely that any of the Respondents could ever successfully make such a claim with respect to any of those names.

The simple reason is that each of the disputed domain names identically contains the Complainant's CNN Mark under which the Complainant provides its cable and satellite broadcast services and has been doing so, for over 20 years. Furthermore, the Complainant has never authorized any of the Respondents to utilize the CNN Mark or a mark confusingly similar thereto, in conjunction with the specific services which the Complainant provides under that mark, nor does the Complainant have any relationship or association whatsoever with any of the Respondents.

Hence, any use to which the Respondents were to put the mark CNN or a mark confusingly similar thereto—which certainly includes all the disputed domain names, in connection with broadcast services, as presently provided by the Complainant on a worldwide basis, would directly violate the exclusive trademark rights now residing in the Complainant. See, e.g., *American Family Life Assurance Co. of Columbus v. defaultdata.com a/k/a Brian Wick*, FA 123896 (Nat. Arb. Forum Oct. 14, 2002); *Regions Financial Corp. v. Defaultdata.com aka Brian Wick*, FA 118271 (Nat. Arb. Forum Oct. 14, 2002); *AT&T Corp. vs. Roman Abreu d/b/a Smartalk Wireless*, D2002-0605 (WIPO Sept. 11, 2002); *Pfizer Inc. v. Order Viagra Online*, D2002-0366 (WIPO July 11, 2002); the *MPL Communications*, FA 97086 and FA 97092 decisions, cited *supra*; *America Online, Inc. v. Xianfeng Fu*, D2000-1374 (WIPO Dec. 11, 2000), and *Treeforms, Inc. v. Cayne Ind. Sales Corp.*, cited *supra*.

It is eminently clear to this Panel that the Respondents, in choosing 607 domain names, 325 of which are presently being disputed, each of which includes Complainant's well-known CNN Mark, are intentionally seeking to create confusingly similar names that opportunistically exploit Internet user confusion by diverting, through re-direction and diversion, Internet users away from the Complainant's web sites to the Respondents' corresponding web sites for the latter's own pecuniary benefit. Specifically, those users could well think they are viewing the Complainant's news and information content and purchasing goods and services from entities that advertise on the Complainant's sites when, in fact, they are actually viewing information and advertising content provided by Respondent Channel—thereby depriving the Complainant, to its ultimate detriment, of those viewers.

Such parasitic use, which at its essence relies on instigating and exacerbating user confusion, cannot and does not constitute bona fide commercial or fair use sufficient to legitimize any rights and interests the Respondent might have in the disputed domain name. See *Peter Frampton v. Frampton Enterprises, Inc.*, cited *supra*.

Furthermore, on December 1, 2000, just one week after Respondent Channel was incorporated in Lebanon, Respondent Khouri, among others, formed a Lebanese company having the name "CABLE NEWS NETWORK—LEBANON"; with "CABLE

NEWS NETWORK” which mirrors the name of the Complainant.

In addition, given that Respondent Khouri previously resided in the United States for some 15 years—a point not refuted by the Respondents, before he relocated to Lebanon and formed Respondent Channel, it is only reasonable to infer given the notoriety of the Complainant’s CNN Mark, that Mr. Khouri became acquainted with the Complainant’s worldwide network and its broadcast services and content during his tenure in the United States. Furthermore, several months after Respondent Channel became operational in late 2001, whom did Respondent Khouri contact, in March 2002, as a possible supplier of content for his network? None other than the Complainant.

It is beyond any credibility to consider the Respondent’s adoption of the term “CNN” or the tradename “CHANNEL NEWS NETWORK”, given the existence of the Complainant’s CNN Mark and its tradename “CABLE NEWS NETWORK” to simply be coincidental. It was not. Respondent Khouri was very likely well aware of the Complainant quite some time before he formed Respondent Channel and before he and/or others selected and registered any of the disputed domain names.

Therefore, the Respondents likely knew or at the very least, should have known, at the time they adopted and registered all the disputed CNN-based domain names, that whatever claim of rights, which any of the Respondents might have in any of those names, would undoubtedly be illegitimate. The CNN Mark was simply not theirs to use—regardless of the business analysis and market study prepared by Lebanon Index. The Respondents, as registrants of all the disputed domain names, ultimately bore the responsibility and hence the liability to the Complainant associated with having done so.

Moreover, the Panel is cognizant of the heavy burden that would be placed on complainants if, in support of their cases on illegitimacy, each of those complainants were to be impressed with a burden of providing detailed proof of any lack of rights or legitimate interests on behalf of their respondents. The Panel believes that where allegations of illegitimacy are made, particularly as here, when coupled with conduct of a respondent that evidences bad faith, it is quite reasonable to shift the burden of proof to that respondent to adequately show that its use of the disputed domain name is legitimate, such as by showing that, in conjunction with the disputed domain name, it is making a bona fide commercial offering of goods or services or preparations for such offerings, or non-commercial or fair use. Given the situation now facing the Panel, it is abundantly clear and absolutely beyond question that the Respondents’ conduct here falls far short of meeting this burden—particularly given that no credible facts have been proven to support such usage. See *Southwest Airlines Co. v. TRN*, cited supra; *American Family Life Assurance Company of Columbus v. defaultdata.com a/k/a Brian Wick* cited supra; *Regions Financial Corporation v. Defaultdata.com aka Brian Wick*, cited supra; *Peter Frampton v. Frampton Enterprises, Inc.*, cited supra; *American Home Products Corp. v. Malgioglio*, cited supra; *Surface Protection Industries, Inc. v. The Webposters*, cited supra; *College Summit, Inc. v. Yarmouth Educational Consultants, Inc.*, D2000-1575 (WIPO, Jan. 17, 2001); *MSNBC Cable, LLC v. Tsys.com*, cited supra and *Playboy Enterprises Int’l, Inc.*, D2000-1016 (WIPO, Nov. 7,

2000).

In light of the above findings, the Panel is not persuaded that any of the Respondents has any or, based on current facts provided to the Panel, is likely to acquire any rights or legitimate interests in any of the disputed domain names under any provision of paragraph 4(c) of the Policy.

Thus, the Panel finds that the Respondents have no rights or legitimate interests in any of the disputed domain names under paragraph 4(a)(ii) of the Policy.

### 3. Registration and Use in Bad Faith

[5] The Panel firmly believes that Respondents' actions constitute bad faith registration and use of all the disputed domain names.

As discussed above, it is absolutely inconceivable to this Panel that the Respondents, and particularly Respondent Khouri, were unaware of the Complainant's CNN Mark when the former registered the disputed domain names during November 2000. In fact, by virtue of offering broadcast news and information services directly competitive to those then being offered by the Complainant and through web sites resolvable through domain names that were formed using the same naming convention

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as chosen by the Complainant for its domain names for its national and regional web sites, the Panel infers that not only were the Respondents very much aware of that mark but moreover deliberately decided to utilize that mark, without authorization, in an attempt to cause user confusion and, by doing so, misappropriate to themselves a portion of the goodwill inherent in the Complainant's CNN Mark.

The Respondents' intention is not only reflected in but magnified by virtue of their actions in registering not one single domain name that included the CNN Mark, but 607 of those names of which 325 are now disputed, each of which contained the Complainant's CNN Mark. The Respondents have clearly admitted that their intention, which they assiduously effectuated, was to register as many CNN-based names as possible.

In registering so many names, it is eminently clear to this Panel that the Respondent intended to and did cause and opportunistically exploit inevitable user confusion and diversion through use of each of those other domain names and, as such, dilute the goodwill inherent in the CNN Mark. Consequently, the Respondents' conduct here regarding the disputed domain names directly contravenes paragraph 4(b)(iv) of the Policy.

Furthermore, the Respondents financially benefit from their illicit user diversion to the detriment of the Complainant.

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Specifically, in all likelihood, many users who reach any of the Respondent Channel's CNN-named sites do not do so as a result of having any prior knowledge of the domain name of that site and that the Respondent Channel, not the Complainant, is offering its content through that site. Rather, those users reach that site by virtue of nothing more than the Respondents' actions in intentionally diverting them there by registering and using a domain name that incorporates the Complainant's CNN Mark and uses the same naming convention as does the Complainant. Any resulting increase in viewership and concomitant advertising revenue resulting therefrom clearly deprives the Complainant of viewers and revenue it would likely have otherwise obtained but lost as a result of the diversion.

In addition, the sheer number of the disputed domain names which the Respondents have registered—325 in all—leads this Panel to conclude that the Respondents also did so in order to prevent the Complainant from registering all those names where each such name reflects the Complainant's mark, hence contravening paragraph 4(b)(ii) of the Policy.

Therefore, the Panel views the Respondents' actions as constituting bad faith use and registration in violation of paragraphs 4(b)(ii) and 4(b)(iv) of the Policy.

Furthermore and generally speaking, the illicit nature of the Respondents' actions extends well beyond just registration and use of the disputed domain names. This nature is illustrated, in one instance, by the Respondents having established a Lebanese corporation with a tradename having the same formative ("CABLE NEWS NETWORK") as that of the Complainant and, in another instance, by subsequently registering that tradename in Lebanon as the their trademark. Clearly, this conduct is entirely consistent with and reinforces the Panel's view of the Respondents' bad faith.

Consequently, the Respondents' conduct constitutes bad faith use under paragraph 4(a)(iii) of the Policy.

Thus, the Panel concludes that Complainant has provided sufficient proof of its allegations to establish a prima facie case under paragraph 4(a) of the Policy upon which the relief it now seeks can be granted.

## ***DECISION***

The Respondents' request to dismiss the Complaint is *DENIED*.

In accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the relief sought by the Complainant is hereby *GRANTED*.

All the disputed domain names (i.e. all 325 domain names), as set forth in Appendices A and B hereto, are ordered *TRANSFERRED* to the Complainant.

**- End of Case -  
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