



Administrative Panel Decision

Under the ICANN Uniform Domain Name Dispute Resolution Policy

Complainant: Newport News, Inc.
711 Third Avenue
New York, New York 10017 USA

Respondent: VCV Internet
P. O. Box 1347
Fairhope, Alabama 36533 USA

Case number: AF-0238

Contested Domain Name: newportnews.com

Panel Members: Peter L. Michaelson, Esq.

1. Parties and Contested Domain Name

The Complainant in this proceeding is Newport News, Inc. of New York, New York USA.

The Respondent is VCV Internet of Fairhope, Alabama 36533 USA.

The domain name at issue is 'newportnews.com', registered by the Respondent with Network Solutions, Inc. ('NSI') of Herndon, Virginia, USA.

2. Procedural History

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy ("Policy"), available at <http://www.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 eResolution Supplemental Rules (the "Supplemental Rules").

The Complaint was filed electronically with eResolution, through its web site, on June 7, 2000 and in hard-copy form on June 8, 2000. Appropriate payment was received by eResolution on May 31, 2000. The Complaint was accompanied by

an annex, containing copies of three US trademark registrations cited in the complaint, filed on June 5, 2000.

Pursuant to paragraph 4(d) of the Policy, the Complainant selected eResolution as the ICANN-approved administrative dispute resolution service provider (the "Provider") to administer this proceeding. Through the Complaint, the Complainant requested a single member panel.

After receiving the Complaint, the Provider, in accordance with paragraph 6 of the Supplemental Rules, determined that the Complaint fully complied with the formal requirements of the Rules and the Supplemental Rules. In that regard, the provider confirmed the identity of the registrar for the contested domain name; verified, based on the registrar's Whois database, the contact information for the respondent; verified if the domain name resolved to an active web page; and finally verified that the complaint was administratively compliant. In accomplishing this, on June 5, 2000, the provider electronically contacted NSI, as the registrar, to confirm the billing contact of the respondent and to obtain a copy of the registration agreement for the domain name. On June 8, 2000, the Provider received a response from NSI containing the requested verification.

On June 9, 2000, the Provider notified the Respondent of the filing of the Complaint, including providing a complete copy of the Complaint, with an explanatory cover sheet, to the Respondent. The Complaint, and its accompanying documents, and all subsequent communications associated therewith were provided in the preferred manner and to the address as mandated by paragraphs 2(a) and 4(a) of the Rules.

Hence, with the notification to the Respondent having occurred on June 9, 2000, under paragraph 4(c) of the ICANN Policy, this administrative proceeding is deemed to have commenced on June 9, 2000, and the Provider so notified the Complainant, the Respondent, the registrar and ICANN.

Having reviewed the Complaint and the succeeding events as delineated by the Provider, the Panel agrees with the determination of the Provider that the Complaint and its handling met the requirements of the Rules and the Supplemental Rules.

The Respondent was then provided with a 20 calendar day period, expiring on June 29, 2000 to file its Response with the Provider and serve a copy of the response on the Respondent.

On June 28, 2000, the Respondent electronically filed its Response, including supporting annexes, with the Provider and specifically through the Provider's web site. On July 5, 2000, the Provider received a signed hardcopy version of the response.

Accordingly, pursuant to the Rules and Supplemental Rules, on July 7, 2000 the Provider contacted the undersigned requesting his service as a sole panelist to consider and decide this dispute. The undersigned accepted the appointment on July 8, 2000 and on July 10, 2000 returned, by facsimile to the Provider, a fully executed Declaration of Independence and Impartiality. On July 10, 2000, the Provider appointed the undersigned as the sole panelist to consider this dispute, and so notified both parties by e-mail. The Provider then forwarded a username and password to the undersigned permitting him access to the Complaint, the Response and all supporting annexes then available on the Provider's automated docket management system.

Based on deadline set forth in paragraph 15 of the Rules, a decision is to be issued by the undersigned to the Provider on or before July 23, 2000.

This dispute concerns one domain name alone, specifically "newportnews.com". The language of this proceeding is English.

3. Factual Background

The dispute is based on the following trademark and its usage by the Complainant as follows:

NEWPORT NEWS (in block letters)

This trademark is the subject of three separate United States trademark registrations -- a copy of each of which appears in the Annex to the Complaint:

A) registration 1,691,635 issued June 9, 1992 and carrying a first use date of November 1, 1989 and for use in connection with: women's clothing; namely shorts and leggings sold by mail order -- all in international class 25;

B) registration 1,892,686 issued May 2, 1995 and carrying a first use date of April 1, 1993 and for use in connection with: women's clothing sold by mail order; namely, blazers, jackets, coats, rain coats, ponchos, parkas, capes, blouses, knit tops, shirts, sweaters, tunics, vests, leggings, overalls, pants, shorts, skirts, dresses, jumpers, jumpsuits, bodysuits, catsuits, rompers, sweatsuits, leotards, crop tops, bike shorts, swimwear, sleepwear, lingerie, belts, gloves, hats, hosiery, socks, scarves and footwear -- all in international class 25; and

C) registration 2,105,336 issued October 14, 1997 and carrying a first use date of March 27, 1987 and for use in connection with mail order catalog services in the field of women's clothing -- in international class 35.

From the issue dates of the '635 and '686 registrations, appropriate declarations/affidavits of continued use, as required by Section 8 of the Lanham Act (15 USC § 1058) would need to have been timely filed and accepted by the

United States Patent and Trademark Office (PTO) for these two registrations to continue in force. Since the Complainant has not specified whether such filings have in fact been made, the Panel, for purposes of this proceeding, will assume that these filings have been made and accepted by the PTO and, as such, both registrations are still active. Such a filing is not yet due for the '336 registration; hence, this registration is also currently active in its own right.

As indicated on the registrations, the '635 and '686 trademark registrations were originally owned by New Hampton, Inc. (a Delaware Corporation). The Complaint states that these two registrations were ultimately assigned to the Complainant. The '336 registration, as noted on its face, was issued to the Complainant, with presumably title to this registration still residing therewith. The Complainant states that it is a wholly-owned subsidiary of Spiegel, Inc.

In its complaint, the Complainant states that it has continuously and exclusively used its mark to identify its various products and services. The Complainant states that, through this mark, it is well known throughout the United States and elsewhere in the world as a mail order catalog retailer of women's and home fashions. The Complainant states that it also operates a web site under its mark, specifically www.newport-news.com, in connection with its Internet-based retail services.

Through the Response, the Respondent states that it engages in providing various Internet-related and e-commerce-based services including, e.g., establishing and maintaining virtual city web-sites; and providing internet access, ISP (Internet service provider) setup, maintenance of user accounts and other related services. The Respondent further states that it markets its virtual city web site design services to various cities across the United States.

To document these services, the Respondent has included, as Exhibit 1 in the annex to the Response, a copy of what appears, to the Panel, to be a home page detailing the various services it currently offers. Of particular relevance to the present dispute, the Respondent states that one of the virtual city web-sites it is currently developing is for the city of Newport News, Virginia (henceforth "Newport News"). In that regard, the Respondent has provided in Exhibits 2-57 of its annex hardcopy print-outs of web pages of various cities for which it has developed web sites, along with a listing of such cities in Exhibit 1 of its annex, with, of particular note and as shown in Exhibit 2, the print-out for a home page for the virtual web site it has developed for the city of Newport News.

In the course of marketing a virtual city web-site to various cities, the Respondent, as noted in the Response, registers domain names corresponding to names of those cities to which it intends to market its services. Once such a site is constructed, the Respondent retains title to the domain name and licenses use of the associated domain name to the corresponding city.

4. Parties' Contentions

Through the Complaint, the Complainant contends that:

- (i) the domain name in question is confusingly similar to its family of registered trademarks for the mark "Newport News";
- (ii) any rights the Respondent has in the domain name in contention are illegitimate; and
- (iii) the Respondent has registered this domain name in bad faith.

The Respondent, through its Response, specifically denies each of these contentions.

A) Confusing Similarity

As to similarity of the contested domain name to its registered trademark, the Complainant has provided a copy, as noted above, of its three active US trademark registrations.

For all practical purposes, the Panel recognizes that the domain name in question is identical to the Complainant's NEWPORT NEWS trademark. The exceptions are omission of a space between the two words as shown in the registered trademark with respect to those words being appended together in the domain name and the inclusion of a top level domain (.com) in the domain name not included in the trademark, both of which are de minimus and immaterial.

Based on the nearly identical nature of the contested domain name to the registered mark, the Complainant alleges that the Respondent has registered a domain name that is "confusingly similar" to its registered trademarks and, as such, is likely to create a false or misleading representation or impression that the Complainant is affiliated, connected or associated with the Respondent or that the Complainant has endorsed, sponsored or approved the establishment, product or services provided by the Respondent -- when, in fact, no such association, affiliation, connection, endorsement, sponsorship or approval exists.

The Respondent alleges that the contested domain is not *confusingly* similar to the registered mark. In that regard, the Respondent states that, given the services it provides, as discussed above, the use of the contested domain name does not constitute trademark infringement inasmuch as no purchasers of the Complainant's goods will likely be confused when seeing the domain name used in conjunction with the virtual city web sites provided by the Respondent.

While the Respondent does not dispute or challenge the federal trademark registrations owned by the Complaint for the mark "NEWPORT NEWS", the Respondent argues that, to constitute infringement of a registered trademark by a domain name, more than just similarity between the mark and the domain name in question must be shown, specifically that use of the trademark by the

domain name holder has "taken place in connection with goods or services that are competitive with or in some way related to the goods or services for which the trademark has been registered". The Respondent alleges that the Complainant has made no such showing.

In essence, the Respondent is arguing that the use of the contested domain name constitutes permissible concurrent use under current US trademark law and hence does not constitute trademark infringement under § 32 of the Lanham Act (15 USC § 1114).

B) Illegitimate Use

The Complainant points to its three United States trademark registrations. The Complainant alleges that since it has not authorized the Respondent to use the registered trademark, any such use constitutes trademark infringement. Hence, for that reason alone, the Complainant alleges that the Respondent has no legitimate rights with respect to the domain name.

First, the Respondent states that the Complainant has made no factual showing that in support of this allegation.

Second, the Respondent, in contrast to the allegation made in the Complaint, states that the services it provides -- again as discussed above, in conjunction with the contested domain name, constitute legitimate business interests. In that regard, the Respondent states, in essence, that by the very nature of the services it renders, namely creating virtual city web sites, its registration of domain names that incorporate the names of its potential or existing client cities effectuates those very business interests. Further, the Respondent states that its business, given its very specific nature of providing virtual city web sites and related Internet based services, does not compete at all with that of the Complainant; namely, marketing of women's clothing and household accessories. In view of a total lack of any competition between the Respondent and Complainant, the Respondent states that "there is absolutely *no basis* whatsoever for any claim by the Complainant that VCV has registered the domain name 'Newportnews.com' for the purpose of obtaining any competitive advantage over the Complainant" [emphasis added].

Hence, the Respondent concludes that, as evidenced by its activities, it has a legitimate interest in the contested domain name and did not acquire that name for any illegitimate business purpose.

C) Bad Faith

The Complainant alleges that the Respondent, merely by using the contested domain name that incorporates the registered mark of the Complainant, is intentionally attempting to attract, for commercial gain, Internet users to its web

site and other on-line locations by creating a likelihood of confusion with the Complainant's mark with respect to source, sponsorship, affiliation or endorsement between the products and/or web sites of the Complainant and the Respondent. Based on this reason alone, the Complainant alleges that actions of the Respondent evince bad faith.

The Respondent contends that the Complainant has made no factual showing of bad faith that substantiates its allegations.

Moreover, the Respondent points to having registered the contested domain name for the express and legitimate purpose of using that domain name in conjunction with a virtual city web site it was then establishing for Newport News and the surrounding metropolitan area. The Respondent intentionally registered the city name of Newport News as a domain name for the city web site ostensibly for the convenience of its then future site visitors, i.e. "any individual seeking information relative to the city of Newport News, Virginia would most certainly tend to use that domain in the process of searching for such information. ... The name 'Newportnews.com' is used for the legitimate purpose of attracting those individuals who are seeking information relative to the Newport News, Virginia metropolitan area."

The Respondent also states that, as evidenced by its actions, it did not acquire the contested domain name to prevent the Complainant from reflecting the mark in a corresponding domain name or for any purpose relative to disrupting the business of the Complainant, or in any attempt that would cause any likelihood of confusion to arise that would attract Internet users to its web site rather than to that of the Complainant.

Finally, the Respondent states that it has used the contested domain name, in conjunction with maintaining its web site developed for Newport News, for "some time" prior to receiving notice of this arbitration.

5. Discussion and Findings

A. Confusing Similarity

As noted above, the Panel recognizes that, for all intents and purposes, the domain name in question is identical (with exception of de minimus differences noted above) to the Complainant's NEWPORT NEWS family of trademarks. However, this similarity alone, contrary to the Complainant's view, is insufficient to support any finding of trademark infringement.

Even where visual and/or phonetic identity is present, trademark infringement, even in the context of two identical marks, requires a finding that some confusion of the relevant consumers is likely to occur from concurrent use of both marks. See A&H Sportswear, Inc. v. Victoria's Secret Stores, Inc. 49 U.S.P.Q. 1481,

1487 (3rd Cir. 1999). The Court here noted that in assessing confusion, confusion must be likely to occur, not just possible. Ibid.

In that regard, in assessing whether confusion is likely, product competition or the lack of it is an important but not exclusive factor. "A trademark owner need only show that they [defendant's similarly trademarked products or services and his own] are sufficiently related so that the public is likely to assume that he is their source or that there is a common origin or sponsorship. In other words, he must show that the public is likely to be confused. Likelihood of confusion, not product competition, is the test under both the Lanham Act and the common-law of unfair competition". Gilson on Trademarks [Matthew Bender], § 5.05[1].

In the seminal Polaroid case, the Second Circuit Court of Appeals enumerated various factors useful for determining whether confusion is likely to occur between common trademark usage on non-competitive products; namely, "the strength of the mark, the degree of similarity between the two marks, the proximity of the products, the likelihood that the prior owner will bridge the gap, actual confusion and the reciprocal of the defendant's good faith in adopting its own mark, the quality of the defendant's product, and the sophistication of the buyers."

See Polaroid Corporation v. Polarad Electronics Corporation 128 USPQ 411, 413 (2nd Cir. 1961). Even with this list, the Court commented this list may prove inadequate in certain instances: " Even this extensive catalogue does not exhaust the possibilities -- the court may have to take still other variables into account." Ibid.

As remarked in Gilson, supra, there is no mathematical formula and no proven computer program which can product the "correct" answer in every case. The delicate task of balancing the legal and equitable factors lies at the heart of the judicial process in noncompeting trademark goods cases.

While the Polaroid factors are not inclusive, the Panel recognises them to be quite useful in the present situation in assessing whether confusion is likely to occur or not from concurrent use of the registered mark and the contested domain name.

Applying these factors to the situation at hand, the Panel finds that:

- (a) the mark and the domain name here are identical;
- but: (b) the Complainant's fashion related products are widely disparate from Respondent's city information web site; and
- (c) the Respondent has adopted its domain name in good faith -- as discussed in section 6(C) below.

The Panel also finds that no evidence exists of record as to:

- (a) the strength of the registered mark;

(b) whether the Complainant intends to "bridge the gap" at some time in the near future by offering services competitive with the Respondent,

(c) the quality level of the respective goods/services of the Complainant and Respondent, or

(d) the sophistication of the consumers, here visitors to both the Complainant's and Respondent's respective sites and also purchasers of the Complainant's branded goods.

Consequently, the Panel views these four factors to be immaterial.

Hence, it appears to this Panel, that under the factors that do exist, the potential for confusion to occur as a direct result of concurrent use of the domain name and the registered mark is essentially nil, at best; clearly not a "likelihood" as required under the Lanham Act. Moreover, the only factor proven by the Complainant is the identical nature of the mark to the domain name, which by itself is insufficient to prove a likelihood of confusion.

Furthermore, the Panel recognizes that although no evidence has been adduced regarding the nature of the visitors to each party's site, it is reasonable to assume that these visitors are consumers who possess some degree of increased sophistication over those ordinarily in the mass market, if for no other reason than a need to possess requisite computer literacy to access these sites.

Moreover, the Panel believes that mail-order consumers tend, by their nature, to be rather sophisticated brand-conscious, discerning purchasers, hence further supporting the Panel's view that these visitors would tend to be sophisticated purchasers. Given this, it seems eminently reasonable to conclude, as the Panel does here, that visitors to the Complainant's branded web site, who seek out the latest women's clothing and home fashions would clearly not be confused when seeing a home page of another web site, bearing an identical mark, that explicitly provides city information, as the Respondent's sites purport to do, with no connection whatsoever to women's and home fashions.

Thus, the Panel believes that relevant purchasers of the Complainant's branded goods bearing the "NEWPORT NEWS" mark are not likely to be confused when faced with a web site constructed by the Respondent for the city of Newport News, Virginia that carries the contested domain name as a basic component of a URL of that site.

Hence, the Panel finds that the contested domain name is not confusingly similar to the registered marks of the Complainant as required by paragraph 4(a) of the Policy.

B. Illegitimacy

Apart from alleging illegitimacy, the Complainant has offered no factual basis sufficient to support its allegation.

The Panel finds that the virtual city web site services provided by the Respondent in conjunction with the contested domain name and which the Respondent continues to provide to constitute valuable, bona fide service offerings. Clearly, client cities, as is undoubtedly the case with Newport News, would find it economically advantageous to engage web service establishments, such as the Respondent, to design, establish and maintain city-based web sites, if for no other reason than, to disseminate city information in an effort to increase tourism and other visitor traffic to the city; hence, yielding an economic benefit to the general city economy that transcends the cost of the site. Enhanced intangible benefits to these cities, such as improved goodwill, can also result from such sites.

The Panel finds that since the domain name is being used directly in support of these services, its use constitutes a legitimate business interest of the Respondent pursuant to paragraph 4(c) of the Policy.

C. Bad Faith

Apart from merely alleging bad faith, the Complainant has offered no factual basis to support its allegation. In that regard, there is no proof that the Respondent: is using the contested domain name primarily for the purpose of selling, renting or transferring it to the Complainant for consideration in excess of the cost of registration (paragraph 4(b)(i) of the Policy); registered the domain name, as part of a pattern of conduct, to preclude the Complainant of reflecting its mark in a corresponding domain name (paragraph 4(b)(ii) of the Policy); registered the contested domain name to disrupt the business of the Complainant (paragraph 4(b)(iii) of the Policy); or by registering that domain name has intentionally attempted to cause a likelihood of confusion in the minds of Internet visitors faced with the Complainant's mark (paragraph 4(b)(iv) of the Policy).

Furthermore, apart from the absence of proof proffered by the Complainant, the Panel finds that the Complainant has in fact registered a domain name (www.newport-news.com) that incorporates its registered mark. Hence, based on the facts of record, the Panel finds that the Respondent has not engaged in any pattern of conduct that precluded the Complainant from registering that particular domain name.

Moreover, the Panel finds that the Respondent's actions, which do constitute a "pattern", of intentionally choosing and registering domain names of its client cities result from an attempt, not out of any bad faith, but rather to enhance user simplicity and convenience -- goals which are, in fact, beneficial to its Internet user community.

Specifically, being that the Respondent is engaged in establishing virtual city web sites for its client cities, it stands to reason that the Respondent would seek to

chose -- as it apparently has -- domain names that, if possible, contain the names of its potential and/or existing client cities without more, if, for no other reason, than to simplify visitor access to those sites. In that regard, if a visitor to a city can simply enter a desired city name as a domain name in a URL and, by doing so, access a web site containing information for that city, then the visitor is not burdened by a need to remember a specific web address -- which appears to the Panel to be a basic motivation underlying the Respondent's actions here. Clearly, the Panel takes judicial notice that it is far easier, i.e. requiring considerably less cognitive mental effort, for any web visitor seeking information for Newport News, Virginia to enter www.newportnews.com in a browser address field than having to remember something along the lines of www.cities.us.com/virginia/newportnews/information/index.html or some other such lengthy, contorted URL, let alone then enter it error-free. Moreover, the panel takes judicial notice of the fact that, at first instance, such a web site visitor would reasonably think, given his(her) familiarity with domain name conventions currently in use on the web, that desired information for Newport News might be had by just typing www.newportnews.com in a browser address field and then seeing what is returned -- which appears to be precisely what the Respondent has effectuated through use of the contested domain name. If this action were to fail to return desired city information, then the visitor could then turn to one of many search engines currently available on the web to seek out appropriate web sites that are likely to contain the desired information.

In addition, given the total absence of competition between the businesses of the Complainant and the Respondent which underlie a finding, noted above, of permissible concurrent use, the Panel finds that the Respondent did not register the contested domain name in an effort to cause any likelihood of confusion to arise in the minds of the corresponding visitors to the web sites of the Complainant and the Respondent, or of the purchasers of the Complainant's goods who also happen to visit the web site which the Respondent established and maintains for Newport News.

As noted above, the Panel has found that the Respondent is using the contested domain name in furtherance of a legitimate business interest. In conjunction therewith, the Complainant has not contested the Respondent's statement that the latter has used the contested domain name in conjunction with its virtual city web site provided for Newport News for a period of time prior to its receiving notice of the Complaint. Hence, the Panel accepts this statement as reflective of true prior use of the contested domain name.

Hence, the Panel finds that Respondent's actions do not evidence any bad faith as that term is illustratively defined in paragraph 4(b) of the Policy.

6. Conclusions

Thus, the Panel concludes that, while the contested domain name is identical for all practical purposes with that of the registered mark, when viewed in its context of its present use, the domain name is not confusingly similar with the registered mark as required under paragraph 4(a)(i) of the Policy. Hence, use of the contested domain name by the Respondent and its client city, Newport News, to the extent contemplated herein, constitutes permissible concurrent use.

Furthermore, the Respondent's activities with respect to the contested domain name are legitimate and do not evidence bad faith under paragraphs 4(a)(ii) and (iii), respectively, of the Policy.

7. Award

Inasmuch as the Complainant has not established all the essential elements delineated by paragraph 4(a) of the Policy and paragraph 3(ix) of the Rules, then under paragraph 4(i) of the Policy and paragraph 15 of the Rules, this Complaint must be and is hereby dismissed.

The Provider is authorized to publish this entire decision in its discretion on a publicly accessible web site.

July 18, 2000

Peter L. Michaelson, Esq., Arbitrator
Red Bank, New Jersey USA