



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Playboy Enterprises International, Inc. v. Hector Rodriguez

Case No. D2000-1016

1. The Parties

Complainant:

Playboy Enterprises International, Inc. (PEII)
680 North Lake Shore Drive
Chicago, Illinois 60611
United States of America

Respondent:

Hector Rodriguez
PMB # 192, 8004 NW 154th Street
Miami, Florida 33016
United States of America

2. The Domain Name and Registrar

Contested Domain Names: "playboychannel.com" and "playboynetwork.com"

Registrar:

Network Solutions, Inc. (NSI)
505 Huntmar Drive
Herndon, Virginia 20170
United States of America

3. 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 World Intellectual Property Organization Supplemental Rules for Uniform Domain Name Dispute Resolution Policy in effect as of December 1, 1999 ("Supplemental Rules").

The Complaint was filed both by e-mail form on August 11, 2000, and, in hard-copy form, with Exhibits A-K and the appropriate payment on August 14, 2000, with the Arbitration and Mediation Center of the World Intellectual Property Organization (the "Center"). The Complainant states that on August 11, 2000, its attorneys served a copy of the Complaint on the Respondent, in accordance with the methods set forth in paragraph 2(a) of the Rules and provided a copy of the Complaint to the Registrar, NSI. The Center acknowledged receipt of the Complaint by e-mail dated August 18, 2000, to the Complainant. Through an e-mail dated August 21, 2000, and addressed to the Center, the Respondent acknowledged receipt of the Complaint.

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

After receiving the Complaint, the Center, in accordance with paragraph 5 of the Supplemental Rules, determined that the Complaint fully complied with the formal requirements of the Rules and the Supplemental Rules. In that regard, on August 21, 2000, the Center requested confirmation from NSI of information set forth in the Complaint relative to the domain name; specifically, contact and registrant information for the contested domain name, as well as whether NSI received a copy of the Complaint from the Complainant. The Center also requested NSI to specify: (a) whether the ICANN Policy applies to the contested domain name, and (b) the current status of the domain name. On August 22, 2000, NSI provided its response to the Center through which NSI provided contact information pertinent to the contested domain name from its WHOIS database, confirmed that NSI is the registrar of the contested domain name, stated that the Policy is in effect (through Network Solutions 4.0 Service Agreement), and that the contested domain names were both in an "active" status.

On August 24, 2000, the Center notified the Complainant by e-mail that, inasmuch as Network Solutions Service Agreement 4.0, rather than its version 5.0, governs the contested domain names, the Center required the Complainant to modify the jurisdiction clause (paragraph 9) of its Complaint to expressly consent to jurisdiction of a court where the Respondent is located. On September 1, 2000, the Complainant submitted an amended complaint through which it modified paragraph 9 in the manner required by the Center. All references hereinafter to the Complaint are to the Complaint, as presently amended.

On September 5, 2000, the Center 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, by e-mail, facsimile and in hardcopy form by courier (the latter including a copy of the Exhibits supplied by the Complainant). The Complaint, and its accompanying documents, and all subsequent communications associated therewith were provided in the preferred manners and to the addresses as mandated by paragraphs 2(a) and 4(a) of the Rules.

Hence, with the notification to the Respondent having occurred on September 5, 2000, under paragraph 4(c) of the ICANN Policy, this administrative proceeding is deemed to have commenced on that date.

Having reviewed the Complaint and succeeding correspondence between the Center and NSI, in detail, the Panel agrees with the determination of the Center 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 September 24, 2000, to file its response with the Center and serve a copy of the response on the Respondent.

As of September 26, 2000, the Center has received no such response from the Respondent. Hence, on that date, the Center so notified the Complainant by e-mail, and the Respondent, by e-mail and facsimile, that the administrative proceeding would proceed by way of default.

Accordingly, pursuant to the Rules and Supplemental Rules, on or about October 6, 2000, the Center contacted Prof. Frederick Abbott and Mr. Peter Michaelson, Esq. requesting their service as co-panelists for this dispute. Both Prof. Abbott and Mr. Michaelson accepted and returned, by facsimile to the Center, a fully executed Statement of Acceptance and Declaration of Impartiality and Independence. The Center, through an e-mail dated October 9, 2000, notified the parties of the appointment of Prof. Abbott and Mr. Michaelson as co-panelists.

The Center subsequently contacted Mr. David Everett Wagoner, Esq. and requested his service as the presiding panelist for this dispute. Mr. Wagoner subsequently accepted and returned, by facsimile to the Center, his fully executed Statement of Acceptance and Declaration of Impartiality and Independence. The Center, through an e-mail dated October 25, 2000, notified the parties of the appointment of the entire panel.

Based on deadline set forth in paragraph 15 of the Rules, a decision was to be issued by the Panel to the Center on or before November 7, 2000.

This dispute concerns two domain names, specifically "playboychannel.com" and "playboynetwork.com". The language of this proceeding is English.

4. Factual Background

Inasmuch as the Respondent, Hector Rodriguez, has failed to respond to the Complaint, all the factual representations alleged by the Complainant, PEII, will be accepted as undisputed. For convenience of the reader, factual allegations, to the extent needed, from the Complaint are reproduced below.

Complainant PEII owns numerous currently valid and subsisting U.S. trademark and service mark registrations that include the term "PLAYBOY", either by itself and/or in combination with other words as well as with stylized patterns (collectively the "PLAYBOY" marks). These marks are used in conjunction with adult entertainment in a variety of media, including print and on-line magazines, and apparel and accessories. In that regard, the Complainant has provided copies, in Exhibit E to the Complaint, of registration records, currently available from the United States Patent and Trademark Office (US PTO) web server, of a representative sample of ten of its registrations that either depict the word "PLAYBOY" alone in block letters or in combination with a logo. These ten marks are:

- 1) PLAYBOY (block letters)
US registration 0600018, registered December 28, 1954

This trade mark was registered for use in connection with: "Monthly magazine", in international class 16. This mark claims first use and first use in inter-state commerce of November 1, 1953.

- 2) PLAYBOY (block letters)
US registration 2020389, registered December 3, 1996
This service mark was registered for use in connection with: "Computer services, namely, providing on-line magazines in the field of fashion, entertainment, health, lifestyle and other topics of general interest", in international class 42. This mark claims first use and first use in inter-state commerce of August 29, 1994.
- 3) HTTP//WWW.PLAYBOY.COM (block letters)
US registration 2011646, registered October 29, 1996
This service mark was registered for use in connection with: "Computer services, namely, providing on-line magazines in the field of fashion, entertainment, health, lifestyle and other topics of general interest", in international class 42. This mark claims first use and first use in inter-state commerce of August 29, 1994.
- 4) PLAYBOY (block letters)
US registration 0645386, registered May 14, 1957
This trade mark was registered for use in connection with: "Cuff links", in international class 14. This mark claims first use and first use in inter-state commerce of October 5, 1955.
- 5) PLAYBOY (block letters)
US registration 0676726, registered April 7, 1959
This trade mark was registered for use in connection with: "Compilations of stories issued annually, and calendars", in international class 16. This mark claims first use of November 1, 1953 and first use in inter-state commerce of November 30, 1954.
- 6) PLAYBOY (block letters) with stylized logo
US registration 0747259, registered March 26, 1963
This trade mark was registered for use in connection with: "Cuff links, tie tacks, earrings, necklaces, key chains, bracelets and pins", in international class 14. This mark claims first use and first use in inter-state commerce of January 8, 1962.
- 7) PLAYBOY (block letters)
US registration 0755301, registered August 27, 1963
This trade mark was registered for use in connection with: "Cigarette lighters", in international class 34. This mark claims first use and first use in inter-state commerce of December 31, 1959.
- 8) PLAYBOY (block letters)
US registration 2107294, registered October 21, 1997
This trade mark was registered for use in connection with: "Tobacco, namely, cigars", in international class 34. This mark claims first use of March 1996 and first use in inter-state commerce of July 31, 1996.
- 9) PLAYBOY (block letters)
US registration 1886578, registered March 28, 1995

This trade mark was registered for use in connection with: "Pre-recorded CD-ROMs featuring interviews and photoshoots", in international class 9. This mark claims first use and first use in inter-state commerce of June 24, 1994.

10) PLAYBOY (block letters)

US registration 0874451, registered August 5, 1969

This service mark was registered for use in connection with: "Model agency service including supplying of live models for various business purposes", in international class 35. This mark claims first use and first use in inter-state commerce of July 13, 1964.

Of particular applicability to the present dispute are the following additional two U.S. service marks owned and used by the Complainant (also contained within the PLAYBOY marks) -- a copy of the registration records of the US PTO for both marks is provided in corresponding Exhibits F and G to the Complaint, and upon which the dispute is directly based:

11) THE PLAYBOY CHANNEL (block letters)

US registration 1266598, registered February 7, 1984

This service mark was registered for use in connection with: "Television broadcasting services", in international class 38. This mark claims first use and first use in inter-state commerce of September 8, 1982.

12) PLAYBOY TV NETWORKS (block letters) with stylized logo

US registration 2319609, registered February 15, 2000

This service mark was registered for use in connection with: "Entertainment services, namely, the production and distribution of television and cable television programs", in international class 41. This mark claims first use and first use in inter-state commerce of March 31, 1999.

The Complainant, PEII, is a global media entertainment company. It is a worldwide provider of adult lifestyle entertainment through a wide variety of media, including print, cable television, videotape and the Internet.

PEII's products and services include magazines, specialty publications, videotapes, DVDs and cable television channels in a number of countries, and online information, products and entertainment services. Under the PLAYBOY marks, PEII creates and distributes programming for domestic pay television, worldwide home video and international television. It also distributes apparel, accessories and other products, all bearing the PLAYBOY marks, throughout the world, in stores, through catalogues and on-line through the Internet.

PEII has used its stylized PLAYBOY TV NETWORKS mark since 1995 in promotional and source identification materials in approximately 36 countries around the world, including the United States and Canada -- though the registration for this mark lists the first use date as March 1999 (indicated as 1999.03.00). The Complainant has provided, in Exhibit H to the Complaint, various samples of PEII's use of its PLAYBOY TV NETWORKS marks -- both including its registered "PLAYBOY TV NETWORKS" mark and the term "PLAYBOY TV NETWORKS" alone presumably as an unregistered (common law) mark.

PEII has spent substantial time, effort and money advertising and promoting its PLAYBOY Marks throughout the United States and the world. As a result, the mark "PLAYBOY" itself has acquired international fame; the PLAYBOY CHANNEL and

PLAYBOY TV NETWORKS marks have become widely recognized and have acquired secondary meaning; and PEII has developed significant goodwill in the PLAYBOY marks.

PEII has established Internet websites, including those located at the domain names "Playboy.com" and "Playboytv.com" (collectively, the "PEII Websites"). These websites allow computer users to access information regarding PEII and its products and services, and to use and enjoy the Internet services provided by PEII. In particular, the PEII Websites promote and contain information regarding PEII's entertainment and television services including the Playboy Channel and Playboy TV Networks.

Upon entry of either of the contested domain names, "playboychannel.com" or "playboynetwork.com", into an Internet browser, a user is redirected to a website located at "domainsbyus.com." "Domainsbyus.com" is a website that offers over a dozen domain names for sale to a highest bidder, including "playboychannel.com" and "playboynetwork.com." The website identifies the owner of the website as Respondent, Hector Rodriguez, and Lourdes Rodriguez and provides an e-mail address and telephone number to use for prices and availability for sale of the domain names listed on the website. The domain name "domainsbyus" is registered to the Respondent who is also listed as the administrative contact for this domain name. A printout from the first page of the website "domainsbyus.com" and the "WhoIs" information for "domainsbyus.com" is provided in Exhibit I to the Complaint. In addition to the contested domain names, "playboychannel.com" and "playboynetwork.com," other domain names offered for sale by the Respondent, through his web site, include "antibioticsonline.com," "deliveriesonline.com," "kinkybusiness.com" and "diamondsalesonline.com." The Respondent is the registrant of each of the domain names offered for sale on the "domainsbyus.com" web site. The Complainant in Exhibit J, to the Complaint, has provided a printout of a "WhoIs" database, maintained by NSI, showing the Respondent as the registrant of those particular domain names.

As indicated Exhibit A to the Complaint, the WHOIS registration records from NSI as well as the confirmation information it provided indicates that the Respondent is the current owner of both of the contested domain names. Furthermore, the Respondent has included within each of these records the express notation "This domain is for sale".

Since November 1999, PEII's counsel has made various attempts to resolve the dispute informally, by sending letters and email messages to the Respondent concerning the Respondent's registration and use of the contested domain names and requesting that the Respondent voluntarily agree to transfer the domain names to PEII. The Respondent initially refused, through counsel, to cooperate with PEII's request that the Respondent transfer the domain names. During this exchange, the Respondent's counsel offered to sell the domain names at issue to PEII (though the record before the Panel does not indicate any specific sales price then offered, if any). Subsequently, the Respondent's counsel withdrew from representing the Respondent, after which the Respondent did not substantively respond to attempts by PEII to contact him regarding this matter. The Complainant has provided copies of pertinent e-mail letters and responses in Exhibit K to the Complaint.

Complainant PEII states that the Respondent has no connection or affiliation with PEII, and has not received any license or consent, express or implied, to use the PEII Marks in a domain name or in any other manner.

5. Parties' Contentions

A. Complainant

1. Similarity

The Complainant takes the position that each of the contested domain names is identical or confusingly similar to the PLAYBOY marks, including the registered mark "PLAYBOY"; hence satisfying the confusing similarity requirement in paragraph 4(a) of the Policy.

1. "playboychannel.com"

In that regard, the PEII contends that the contested domain name "playboychannel.com" is identical to PEII's federally-registered PLAYBOY CHANNEL trademark; hence confusingly similar.

2. "playboynetwork.com"

While the contested domain name "playboynetwork.com" is not identical to PEII's registered mark PLAYBOY TV NETWORKS, PEII takes the position that the domain name is sufficiently similar to the mark as to cause viewer confusion.

Specifically, the Complainant states that Internet users in seeking a website of a company would expect to find that site at a domain name comprised of the company's name or trademark. Hence, PEII specifically contends that Internet users, who seek PEII's website related to its television networks, would be expected to use the domain name "playboynetwork.com" in gaining access to PEII's website. As such, the Complainant appears to take the position that since the contested domain name and the textual component of PEII's registered stylized mark "PLAYBOY TV NETWORKS" are essentially identical and once entered will divert users to a site different from and unrelated to PEII, such users would become confused as to source. The Complainant contends that, as a result of this confusion, Internet users would be forced to spend additional time and effort in locating PEII's website and/or information regarding PEII's cable television services.

2. Legitimacy

PEII contends, based on two reasons, that the Respondent has no legitimate interests in either of the two contested domain names.

First, the Complainant notes that the Respondent has no connection or affiliation with PEII, and has not received any license or consent, express or implied, to use of any of the PEII Marks in a domain name or in any other manner.

Second, the Complainant states that the Respondent has not used either of the contested domain names "playboychannel.com" and "playboynetwork.com" to establish a website. In view of the above-noted factual representations adduced by the Complainant, it contends that the Respondent is using those domain names to promote the Respondent's own business activities of auctioning off domain names. Hence, the Complainant concludes such use does not reflect "good faith" or fair use of either of the contested domain names.

Hence, the Complainant concludes that the Respondent cannot demonstrate any rights or legitimate interests in the domain name at issue pursuant to paragraph 4(c) of the Policy.

3. Bad Faith

The Complainant contends that the Respondent has undertaken a scheme to register domain names that are comprised of well-known PEII Marks with the intent either to sell those domain names to PEII at a profit, to profit from the domain names by selling them to third parties and/or to misdirect computer users who are attempting to find the official PEII Websites associated with those trademarks.

The Complainant contends that by diverting Internet users, who would likely be seeking information regarding PEII's television and cable television services, to the Respondent's website, rather than that of PEII, the Respondent is misleading and misdirecting computer users who typically would expect to find an official PEII site, for such services, at domain names comprised of the PEII Marks, including the "PLAYBOY" mark. Because these domain names direct users to the Respondent's auction site, PEII contends that computer users may mistakenly believe that PEII endorses the Respondent's auction and that PEII has no website associated with its PLAYBOY CHANNEL and/or PLAYBOY TV NETWORKS marks. Thus, consumers will be frustrated in their expectations, which ultimately harms PEII and its reputation.

Hence, the Complainant concludes that the Respondent's conduct amounts to bad faith under paragraph 4(a) of the Policy.

B. Respondent

To date, the Respondent has not filed any response to the Complaint.

6. Discussion and Findings

In view of the lack of any response filed by the Respondent, Hector Rodriguez, this proceeding has proceeded by way of default. Hence, under paragraphs 14(a) and 15(a) of the Rules, the Panel is directed to decide this administrative proceeding on the basis of the Complainant's undisputed representations. In that regard and apart from judging this proceeding through mere default of the Respondent, the Panel makes the following specific findings:

A. Similarity

1. "playboychannel.com"

No doubt exists that the domain name in question, while not absolutely identical to the Complainant's registered trademark ("PLAYBOY CHANNEL"), is clearly sufficiently similar to it as to cause a likelihood of confusion to arise on the part of the relevant consumers of the Complainant and those who were to view the disputed domain name -- when and if the Respondent, or any third-party not affiliated with the Complainant to which the Respondent were to transfer the disputed domain name, were to start using the domain name. Such confusion, should it occur, would undoubtedly cause consumers to think that an affiliation exists between the Complainant and the Respondent or its third-party transferee, when, in fact, no such affiliation would exist at all.

The differences between this domain name and the registered trademark, being the deletion of a space between the words "PLAYBOY" and "CHANNEL", deletion of the word "THE" from the contested domain name, a change in case from upper to lower case, along with appending of a top-level domain (.com) are all so de minimis as to be inadequate to preclude any such confusion from occurring.

As such, the Panel finds that sufficient similarity exists under paragraph 4(a)(i) of the Policy for the contested domain name "playboychannel.com".

2. "playboynetwork.com"

PEII's registered mark "PLAYBOY TV NETWORKS" incorporates both the words "PLAYBOY TV NETWORKS" and a stylized graphic design element (a picture of a stylized rabbit's head superimposed on and extending beyond the confines of a monitor screen).

The Panel views that for confusing similarity to occur between a domain name and a mark, identity, ignoring de minimis differences of the types noted immediately above, is not necessary.

All that is necessary is that the domain name misappropriates sufficient textual components from the mark such that an ordinary Internet user who is familiar with the goods or services distributed under the mark would upon seeing the domain name likely think that owing to the visual and/or phonetic similarity between the mark and the domain name that an affiliation exists between the site identified by that domain name and the owner or licensed user of the mark.

With respect to a test for "confusing similarity", § 5.01[3], page 5-15 of J. Gilson, et al, Trademark Protection and Practice (© 1996, Matthew Bender & Co., Inc.) states:

"When one trademark is said to be 'confusingly similar to another', it is so similar to the other that, when it is used on products the purchasing public is likely to be confused. The term [confusingly similar] is simply another way to express the fact that confusion is likely. "

In assessing whether sufficient similarity exists between two marks, Gilson, at § 5.02[1], states: "If a word trademark sounds similar to the plaintiff's mark courts often find likelihood of confusion, especially if the associated product is typically ordered orally. Visual similarity frequently causes confusion if there is sufficient resemblance in overall appearance. Even if word trademarks neither sound alike nor look alike, similarity in meaning may cause confusion." In its seminal decision on the issue, *In re E.I. du Pont de Nemours & Co.* 476 F.2d 1357, 177 U.S.P.Q. 563 (C.C.P.A. 1973), the Court of Customs and Patent Appeals (predecessor to the Court of Appeals for the Federal Circuit), in its definitive listing of factors to assess in determining whether likelihood of confusion exists or not, enumerated as its first factor: "(1) The similarity or dissimilarity of the marks in their entireties as to appearance, sound, connotation and commercial impression."

Currently, domain names are limited to text. As yet, a domain name does not include any graphical element. Hence, any stylized trademark that is to serve as the basis of a domain name must be reduced to a textual term.

Societal naming conventions for Internet sites have evolved to the point where a member of the public seeking information on the Internet for a source identified by a particular mark will most likely start a search by simply forming a domain name constituted by that mark followed by a very common top level domain, such as ".com" and then enter that name into his(her) browser and see what results. Web site owners, recognizing a need to simplify and facilitate user navigation to their sites increasingly reflect their marks in their domain names.

Therefore, the Panel recognizes that an ordinary Internet user familiar with PEII's services provided under its stylized mark "THE PLAYBOY NETWORK" and who seeks information on those services, would, in all likelihood, first think to form a domain name by simply concatenating the words "playboy" and "network" together and justifiably ignore the stylized element of PEII's mark. The user would enter that name into his(her) browser expecting to fetch a page associated with PEII and the specific broadcast services provided through The Playboy Network. However, once entered, that user is not transported to a site having any relation to PEII; hence causing that user to be confused as to source.

Therefore, the Panel finds that the contested domain name "playboynetwork.com" sufficiently resembles PEII's stylized mark "THE PLAYBOY NETWORK" mark as to cause confusion.

Accordingly, the Panel also finds that sufficient similarity exists under paragraph 4(a)(i) of the Policy for the contested domain name "playboynetwork.com".

B. Illegitimacy

Based on the evidence submitted by the Complainant, the Panel makes the following findings regarding illegitimacy.

Based on its federal trademark registration, the Complainant has acquired exclusive rights to use its trademarks. Furthermore, by virtue of the registration of each of the "PLAYBOY" marks, the PTO has implicitly recognized that each has acquired appropriate secondary meaning in the marketplace.

The Respondent has yet to provide any basis that would legitimize any claim it has to either of the contested domain names. In fact, it is extremely unlikely that the Respondent can even make such a claim.

The simple reason is that both of the contested domain names include the Complainant's registered mark "PLAYBOY" under which PEII distributes its goods and services, and has been doing so for quite some time. PEII has never authorized the Respondent to utilize any of its registered marks, nor does PEII have any relationship or association whatsoever with the Respondent. Hence, any use to which the Respondent were to put to of any of PEII's "PLAYBOY" marks, including "PLAYBOY CHANNEL" and the stylized mark "THE PLAYBOY NETWORK", in connection with the goods or services listed in the registration would directly violate the exclusive trademark rights now residing in PEII.

In light of the above findings, the Panel is unpersuaded that the Respondent has any or, based on current facts provided to the Panel, is likely to acquire any legitimate rights in either of the contested domain names, whether on a commercial or non-commercial basis. In that regard, the Respondent's efforts in merely registering and stockpiling the contested domain names for subsequent sale without more, fails to constitute any bona

fide offering of goods or services under each such domain name, or a legitimate non-commercial or fair use of each such name without any intent for either commercial gain or to misleadingly divert consumers or tarnish the trademark or service mark at issue.

In fact, the Respondent's continued retention of those domain names coupled with redirection of an Internet user, who enters any of those domain names into his(her) browser, to the Respondent's site, leads the Panel to conclude that the Respondent specifically intends to accomplish just the opposite.

Furthermore, 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. Such a burden is particularly problematic given that the underlying facts more than not are in exclusive or near exclusive possession and control of the respondents, particularly if they have not in fact made publicly discernible use. As such, the Panel believes that where allegations of illegitimacy are made, particularly as here, when coupled with conduct of respondents that evidences bad faith, it is quite reasonable to shift the burden of proof to each such respondent to adequately show that its use of the contested domain name is legitimate, such as by showing that, in conjunction with the contested 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 beyond question that the Respondent's conduct falls short of meeting this burden. There simply is no proof whatsoever of any such usage.

Thus, the Panel finds that use of the contested domain name by the Respondent is illegitimate within paragraph 4(a)(ii) of the Policy.

C. Bad Faith

In an e-mail sent to the Center dated August 21, 2000, the Respondent attempted to informally dispute the characterization of its motives by PEII by stating, in pertinent part:

"I originally purchased the 2 domains because while searching the dictionary for available words I came across the word playboy. It was never my intent to take anything away from Playboy Enterprises. I also noticed numerous other sites that had included the word playboy in their domain name."

The Panel is unpersuaded that the Respondent chose "playboychannel.com" and "playboynetwork.com", which bears substantial similarity to PEII's registered mark "PLAYBOY CHANNEL" and to the textual component of its registered stylized mark "PLAYBOY TV NETWORKS", for any reason other than a future expectancy of holding these particular names for sale to PEII -- for a sum well in excess of the Respondent's costs of registration. If this were not the case and we were to accept the Respondent's viewpoint, then one could very well ask why would the Respondent offer these two domain names for sale and post these names, along with other domain names he offers for sale, on a site accessible by each such domain name, if his only motive was to recover its cost of registration.

Clearly, such altruistic motivation lacks credibility. People, who manifest an intent to traffic in domain names that incorporate well-known or famous trademarks, as the Respondent does here, simply do not expend their efforts with the sole intention of

relinquishing those domain names for just their out-of-pocket registration costs. The goal of their efforts, simply put, is an expectation of receiving an adequate reward, i.e. sufficient profit, from this trafficking.

Moreover, using the contested domain names to divert web visitors to a site held by the Respondent which lists domain names for sale -- including the contested domain names, merely compounds the harm which the Respondent is inflicting on those trademark owners; harm which the Policy and the AntiCybersquatting Act are designed to remedy.

Hence, the Panel finds that the Complainant has shown a sufficient basis to establish bad faith under paragraphs 4(a)(iii) of the Policy.

In this connection the Panel notes that in its opinion, the Respondent's actions in registering and now retaining both of the contested domain names evince bad faith in violation of the Anti-Cybersquatting provisions of the Lanham Act (15 USC § 1125(d)(1) with various factors indicative of 'bad faith' given in 15 USC § 1125(d)(1)(B)(i) though limited by 15 USC § 1125(d)(1)(B)(ii).

Thus, the Panel concludes that the Complainant, even apart from default of the Respondent, 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.

7. Decision

In accordance with paragraph 4(i) of the Policy and paragraph 15 of the Rules, the relief sought by the Complainant is hereby granted. Both contested domain names, "playboychannel.com" and "playboynetwork.com", are ordered transferred to the Complainant.

David Everett Wagoner, Esq.
Presiding Panelist

Prof. Frederick Abbott
Panelist

Peter L. Michaelson, Esq.
Panelist

Dated: November __, 2000