



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Playboy Enterprises International Inc. v. BEG Service KB

Case No. D2001-0494

1. The Parties

The Complainant is Playboy Enterprises International Inc., a Delaware corporation with its principal place of business at Chicago, Illinois, U.S.A. The Complainant is represented by Ms Suzanne V. Wilson of Arnold & Porter, Attorneys, of Los Angeles, California, U.S.A.

The Respondent is BEG Service KB, a Swedish corporation of Stockholm, Sweden. The Respondent is represented by Attorney Michael Norstrand of the law firm Litus AB of Stockholm, Sweden.

1. The Domain Name and Registrar

The domain name at issue is <playboycasino.com>. The domain name is registered with Network Solutions Inc., 505 Huntmar Park Drive, Herndon, Virginia 20170, U.S.A. (“NSI”).

2. Procedural History

The Complaint submitted by Playboy Enterprises International Inc. was received on April 4, 2001, (electronic version) and April 5, 2001, (hard copy) by the World Intellectual Property Organization and Mediation Center (“WIPO Center”).

On April 9, 2001, a request for Registrar verification was transmitted by the WIPO Center to NSI, requesting it to:

Confirm that a copy of the Complaint had been sent to it by the Complainant as requested by WIPO Supplemental Rules for Uniform Dispute Resolution Policy (“Supplemental Rules”), paragraph 4(b).

Confirm that the domain name at issue is registered with NSI.

Confirm that the person identified as the Respondent is the current registrant of the domain name.

Provide full contact details, i.e., postal address(es), telephone number(s), facsimile number(s), email address(es), available in the Registrar's WHOIS database for the registrant of the disputed domain name, the technical contact, the administrative contact and the building contact for the domain name.

Confirm that the Uniform Domain Dispute Resolution Policy ("UDRP") was in effect.

Indicate the current status of the domain name.

By email dated April 12, 2001, NSI advised WIPO Center as follows:

NSI had received a copy of the Complaint from the Complainant.

NSI is the Registrar of the domain name registration <playboycasino.com>.

The Respondent is shown as the "current registrant" of the domain name.

The administrative and billing contact is B E Gustafsson at the same address as the Respondent.

NSI's 5.0 Service Agreement is in effect.

The domain name registration <playboycasino.com> is currently in "Active" status.

NSI has currently incorporated in its agreements the policy for Uniform Domain Name Dispute Resolution adopted by the Internet Corporation for Assigned Names and Numbers ("ICANN") (hereinafter simply the "Policy").

The advice from NSI that the domain name in question is still "active" indicates the Respondent has not requested that the domain name at issue be deleted from the domain name database. The Respondent has not sought to terminate the agreement with NSI. Accordingly, the Respondent is bound by the provisions of the Policy. The Respondent has not challenged the jurisdiction of the Panel.

Having verified that the Complaint satisfied the formal requirements of the Policy and the Rules for Uniform Domain Name Resolution Policy ("Rules"), the WIPO Center on April 17, 2001, transmitted by post-courier and by email a notification of the Complaint and Commencement of Administrative Proceedings to the Respondent. A copy of the Complaint was also emailed to NSI and ICANN.

The Complainant elected to have its Complaint resolved by a three-person panel; it has duly paid

the amount required of it to the WIPO Center.

The Respondent was advised that a Response to the Complaint was required within 20 calendar days. The Respondent was also advised that any Response should be communicated, in accordance with the Rules, by four sets of hard copy and by email.

On May 4, 2001, the Respondent had sought an extension of time for filing an additional Response; however, in an email of the same date, to the Respondent's counsel, the Center indicated that it could not grant the request. The Respondent made no subsequent request that the Panel consider an extension. The reasons for the extension did not strike the Panel as strong.

The Response was received by the WIPO Center on May 6, 2001 (electronic) and May 9, 2001 (hard copy).

WIPO Center invited the Honorable Sir Ian Barker QC of Auckland, New Zealand to serve as Presiding Panelist in the case. It invited Peter L. Michaelson, Esq. of Michaelson & Wallace of Red Bank, New Jersey, U.S.A. and Professor G.W.G. Karnell of the Stockholm School of Economics, Stockholm, Sweden to be Panelists. It transmitted to each of them a statement of acceptance and requested a declaration of impartiality and independence.

All Panelists duly advised acceptance and forwarded to the WIPO Center an executed declaration of impartiality and independence. The Panel finds that the Administrative Panel was properly constituted in accordance with the Rules and the Supplemental Rules.

On May 22, 2001, WIPO Center forwarded to the Panel by courier the relevant submissions and the record. In terms of Rule 5(b), in the absence of exceptional circumstances, the Panel is required to forward its decision by June 4, 2001.

The Panel has independently determined and agrees with the assessment of WIPO Center that the Complaint meets the formal requirements of the Rules and the Supplemental Rules.

4. Factual Background

The Complainant is a worldwide provider of 'adult' lifestyle entertainment through print, cable television, videotape and the internet.

Its products and services include printed magazines, specialty publications, videotapes, cable television channels, online information and entertainment and hospitality services in a number of countries. It owns, among other trademarks, the trademark "PLAYBOY". It has numerous registrations for this mark in the United States, Sweden and elsewhere. It uses and licenses its PLAYBOY mark in association with the promotion, advertisement and sale of a wide variety of goods and services, including those in the entertainment, gaming and computer industries. It also markets its marks on apparel, accessories and other products sold throughout the world, in stores, through catalogues, and on-line through the internet.

The Complainant owns additional marks incorporating the expression "PLAYBOY", including the "PLAYBOY CASINO" mark which is registered in Greece, the U.K. and Australia.

The Complainant has been involved in the gaming industry since it first opened a casino in 1966. The mark PLAYBOY CASINO is used by the Complainant in connection with its gaming activities.

The Complainant has spent substantial time, effort and money advertising and promoting its marks throughout the United States, Europe and the world. The distinctiveness, strength and fame of the PLAYBOY mark have been acknowledged by a number of courts. *See, e.g., Playboy Enters., Inc. v. Baccarat Clothing Co, Inc.*, 692 F.2d 1272 (9th Cir. 1982); and *Playboy Enters., Inc. v AsiaFocus Int'l, Inc.*, 1998 WL 724000 (E.D. Va. Apr. 10, 1998).

In connection with its marks, Complainant has established internet websites, including those located at the domain names <playboy.com>, <playboytv.com>, <playboystore.com>, and <playboyauctions.com> and the <playboy cyber club> site. The websites allow computer users to access information regarding Complainant and its products and services. The websites contain information regarding its entertainment and hospitality services, occasionally including those provided under the PLAYBOY CASINO mark.

5. Parties' Contentions

Complainant:

The disputed domain name <playboycasino.com> is identical to Complainant's trademark PLAYBOY CASINO. The domain name is confusingly similar to the Playboy marks.

Courts have recognized that consumers expect to find a company on the internet at a domain name address comprised of the company's name or marks. *See, e.g., Panavision Int'l, L.P. v. Toepfen*, 141 F.3d 1316, 1327 (9th Cir. 1998) ("A customer who is unsure about a company's domain name will often guess that the domain name is also the company's name. ... [A] domain name mirroring a corporate name may be a valuable corporate asset, as it facilitates communication with a customer base."). This is all the more so when, the Complainant uses the internet to market or sell its goods and services. Because PLAYBOY CASINO is the trademark for Complainant's casino and gaming services and entertainment, consumers may expect to find Complainant's website at <playboycasino.com>. Because Respondent has registered <playboycasino.com>, however, those consumer expectations are frustrated.

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

Respondent has not used the infringing domain name in connection with a *bona fide* offering of goods or services. Respondent does not have a trademark registration for "playboycasino" and could not obtain one.

Respondent has not made a legitimate non-commercial or fair use of the infringing domain name.

After it learned that Respondent had registered the domain name the Complainant, through its counsel in Sweden, sent a letter dated August 3, 2000 to the Respondent requesting the release or transfer of the infringing domain name. Respondent neither replied to the letter nor released the registration.

By letter dated October 10, 2000, Complainant's counsel again wrote to Respondent regarding the infringing domain name, offering to pay Respondent's out-of-pocket costs if he would transfer the domain name. Again, Respondent neither replied nor released the registration. The Respondent subsequently renewed the domain name registration for another two years from October 25, 2000.

The Complainant's marks are famous throughout the world. The fame and reputation of a trademark owner's mark can be persuasive in determining a respondent's bad faith intent in registering a domain name that contains the famous mark. *See Telstra Corp. Ltd v. Nuclear Marshmallows* D2000-0003 (WIPO February 18, 2000). Given the fame of the marks, "it is not possible to conceive of a plausible circumstance in which the Respondent could legitimately use the [infringing domain name]. It is also not possible to conceive of a plausible situation in which the Respondent would have been unaware of this fact at the time of registration". Accordingly, Respondent has registered the infringing domain name in bad faith.

Respondent also has used the infringing domain name in bad faith. Respondent has not linked the domain name to an active website, but "the passive holding of the domain name, without use in commerce, may support a holding of use in bad faith". *Recordati S.P.A. v. Domain Name Clearing Co.* D2000-0194 (WIPO July 21, 2000).

Respondent has held the infringing domain name since 1997 without linking it to an active website. Failure to make a *bona fide* use of a domain name for more than two years following registration constitutes bad faith. *Chernow Communications, Inc. v. Jonathan D. Kimball* D2000-0119 (WIPO May 18, 2000) (citing *Mondich and American Wine Biscuits, Inc. v. Brown* D2000-0004 (WIPO February 16, 2000)). Respondent's apparent "parking" of the name is evidence of bad faith registration and use.

Respondent:

The domain name was registered because of the registrant's intention to start up a casino business activity on the internet. The name "playboy" was chosen because the Respondent wished to name the site by allusion to a playboy who of common knowledge is a rich young man traveling around the world, who does not work for earning a living but is just having a good time and spending money on such as gambling.

The domain name was not registered with the aim to be mixed up with the Complainant's "pornographic business activities".

The word "playboy" is a compound word composed of "play" and "boy". Both these words are

extensively used in different combinations of words and the words do also separately have their own meaning. Moreover, the word “play” and “boy” when combined refers to a rich young gambling man as stated above. Thus, the Complainant has no exclusive right to the word “playboy” as the word itself has a meaning commonly used with no reference to the pornographic business activities of the Complainant. The word “playboy” must accordingly be differentiated from a name which is a distinctive mark of a product or a business activity where the name itself does not have its own meaning but does only characterize the product or business activity in question.

An article in a Swedish daily newspaper, Svenska Dagbladet, shows that the concept “playboy” has been applied in accordance with its meaning as stated above.

The parties are active in business fields completely different from each other, as well as focus on different clienteles: there is no risk the Complainant’s customers will be confused or be mistaken as regards the Respondent’s activities on the site <playboycasino.com>.

The Complainant is known for its pornographic activities. It is true that the Complainant during the years has extended its entertainment business activities, but in 1997 when the Respondent registered the domain name in dispute, the Complainant was not involved in casino activities on the internet. Moreover, due to legal restrictions in the U.S.A. at that time, it was not even possible for the Complainant to carry on casino activities on the internet. Only recently has it become legally possible for the Complainant to carry on casino activities on the internet.

The Respondent has not registered the domain name in bad faith and has accordingly also not used the domain name in bad faith.

The Respondent did not reply to the letters sent by the Complainant because it is well known that when a respondent has entered into negotiations with the Complainant and the negotiations have resulted in an offering to the complainant to buy the domain name, a Panel has several times regarded such an offering as an evidence of bad faith on behalf of the respondent.

6. Discussion and Findings

Paragraph 15(a) of the Rules instructs the 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”.

The burden for the Complainant, under paragraph 4(a) of the ICANN Policy, is to show:

- That the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- That the Respondent has no legitimate rights or interests in respect of the domain name; and

- The domain name has been registered and used in bad faith.

In the view of the Panel the disputed domain name is identical to the Complainant's marks, PLAYBOY CASINO. It does not matter that those particular registrations are not in the same jurisdiction as the Respondent.

In the Panel's view, the Respondent has no legitimate rights to or interest in the domain name. The Complainant gave it none. The Respondent's claim to set up a casino utilizing the concept of a rich young gambling man strains credulity. The name "Playboy" and the services and products which the Complainant advertises and sells worldwide are well known. It is naïve to suggest that the Respondent had never heard of the Complainant and its activities. The Respondent has not rendered credible its contention that the parties would be active in completely different fields. If there ever would be an activity on the part of the Respondent whilst using the domain name, as the Respondent seems to suggest, such activity would likely coincide with the Complainant's. The statement that the Respondent aims at a different business field is simply not plausible. Rich young men with a penchant for gambling are probably very desirable customers and website visitors from the Complainant's point of view. Accordingly the Panel finds the second criterion proved.

Similarly, the third criterion. It strains belief that the Respondent did not know of the Complainant and its heavy involvement in the entertainment industry at the time the name was registered. It may not have known of the registration of the mark "PLAYBOY CASINO" in UK, Greece and Australia but it would have known of the mark "PLAYBOY".

The Respondent's failure to develop the website and to reply to the Complainant's letters are all indicative of continuing bad faith use. In other cases known to members of the Panel, a reasoned reply to a "cease and desist" letter can often help a respondent show that it comes within the criteria of paragraph 4(b) of the Policy and can also help to show good faith. However, such a reply is non-existent here.

Accordingly for the reasons stated, the Panel finds the Complaint proved.

7. Decision

For the foregoing reasons, the Panel decides:

- (a) That the domain name registered by the Respondent is confusingly similar to the trademark to which the Complainant has rights;
- (b) That the Respondent has no rights or legitimate interests in respect of the domain name; and
- (c) The Respondent's domain name has been registered and is being used in bad faith.

Accordingly, pursuant to paragraph 4(i) of the Policy, the Panel requires that the registration of the domain name <playboycasino.com> be transferred to the Complainant, Playboy Enterprises International Inc.

Hon. Sir Ian Barker QC
Presiding Panelist

Peter L. Michaelson, Esq.
Panelist

Professor G.W.G. Karnell
Panelist

Dated: May 28, 2001