



## **WIPO Arbitration and Mediation Center**

### **ADMINISTRATIVE PANEL DECISION**

**New Destiny Internet Group, LLC and Xplor Media, Inc. v. SouthNetworks**

**Case No. D2005-0884**

#### **1. The Parties**

The Complainant is New Destiny Internet Group, LLC, of Aliso Viejo, California, United States of America, and Xplor Media, Inc., of San Diego, California, United States of America, both represented by Kulik, Gottesman, Mouton & Siegel, LLP, United States of America.

The Respondent is SouthNetworks, New Brighton, Minnesota, United States of America.

#### **2. The Domain Name and Registrar**

The disputed domain name <homegrownwhores.com> is registered with AAAQ.com, Inc.

#### **3. Procedural History**

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy (the “Policy”), 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 Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”) as approved on October 24, 1999, and by the World Intellectual Property Organization Supplemental Rules for Uniform Domain Name Dispute Resolution Policy in effect as of December 1, 1999, (the “Supplemental Rules”).

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) in email form on August 18, 2005, and in hard copy form on August 22, 2005, along with Annexes A-N. In response to a Complaint Deficiency Notification issued by the Center on August 25, 2005, the Complainant submitted an amended Complaint by email on August 26, 2005, and in hard copy form on

August 30, 2005.

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 single member panel.

After receiving the Complaint, the Center, in accordance with paragraph 5 of the Supplemental Rules, determined whether that Complaint fully complied with the formal requirements of the Rules and the Supplemental Rules. In that regard, on August 19, 2005, the Center requested confirmation from the Registrar of information set forth in the Complaint relative to the disputed domain name; specifically, contact and registrant information for that domain name, as well as whether the Registrar received a copy of the Complaint from the Complainant. The Center also requested the Registrar to specify: (a) whether the Policy applies to the disputed domain name, (b) whether the registrant has submitted, in its registration agreement, to the jurisdiction at the location of the principal office of the registrar for court adjudication of disputes concerning or arising from the use of the domain name, (c) the language of the registration agreement, and (d) whether the domain name will remain "locked" during the proceeding.

On August 22, 2005, the Registrar provided its response to the Center through which the Registrar specified name and contact information pertinent to the disputed domain name, to the extent present in its Whois database, confirmed that AAAQ.com is the registrar of that name and stated that: it had received a copy of the Complaint, the Policy applied to the disputed domain name, the language of the underlying registration agreement for the name is English and the name was then held in a "locked" status. The Registrar also informed the Center that the Respondent, through the registration agreement, had submitted to the jurisdiction at the location of the principal office of the Registrar for court adjudication of disputes concerning or arising from the use of the disputed domain name.

On August 30, 2005, the Center notified the Respondent of the filing of the Complaint, including an indication that the Center was forwarding a complete copy of the Complaint, by courier, facsimile and email (the latter two being without the Exhibits), to the Respondent. Specifically, the Center separately provided its notice along with the Complaint, by email, to the Respondent's domain name registrant, technical, administrative and zone contacts as set forth in the Whois record for the disputed domain name. 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), 2(b) and 4(a) of the Rules.

Hence, the notification to the Respondent having occurred on August 30, 2005, under paragraph 4(c) of the Policy, this administrative proceeding is deemed to have commenced on that date.

Having reviewed the Complaint and all preceding and succeeding correspondence between the Center and the Registrar 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 19, 2005, to file its Response with the Center and serve a copy of the

Response on the Complainant.

As of September 19, 2005, the Center had not received a Response to the Complaint from the Respondent; hence, the Center, in an email letter dated September 21, 2005, notified the Complainant and Respondent of the default of the Respondent.

Accordingly, pursuant to the Rules and Supplemental Rules, by email letter dated September 26, 2005, the Center contacted the undersigned, Mr. Peter L. Michaelson, requesting his service as a Sole Panelist for this dispute who, on the same day, accepted and returned, by facsimile to the Center, a fully executed Statement of Acceptance and Declaration of Impartiality and Independence. The Center, through an email letter dated September 28, 2005, notified the parties of the appointment of the Sole Panelist.

Based on the deadline set forth in paragraph 15 of the Rules, a decision was to be issued by the Panel to the Center on or before October 12, 2005. However, due to time conflicts experienced by the Panel, the Center, upon the Panel's request, extended the due date to November 2, 2005.

The language of this proceeding is English.

#### **4. Factual Background**

A copy of the Whois registration records for the disputed domain name appears in Annex E to the Complaint. As indicated on these records, the Respondent registered the disputed domain name on October 16, 2004.

##### **A. Complainant's HOMEGROWN VIDEO Mark**

Complainant Xplor Media, Inc. ("Xplor") owns one federal trademark registration for its mark HOMEGROWN VIDEO on which this dispute is based. The Complainant has provided, in Annex C to the Complaint, a copy of the corresponding registration certificate. The pertinent details of that registration are as follows:

HOMEGROWN VIDEO (block letters)  
United States registration 2,651,798; registered: November 19, 2002

This mark was registered for use in connection with "Retail store services available through computer communications and interactive television featuring video tapes, DVDs and cassettes and audio discs featuring erotic entertainment; computerized on-line retail and subscription services in the field of audio entertainment via a global computer network" in international class 35; and "Production and distribution of adult content entertainment for others; providing adult entertainment in digital form via a global information broadcast network" in international class 41. The registration states that first use and first use in commerce of the mark in conjunction with the services in both classes commenced as of January 1, 1985.

##### **B. The Parties and their activities**

As set forth in the declarations of Edward Goldberg (CEO of New Destiny Internet Group, LLC ("New Destiny")) and Moffitt Timlake (CEO of Xplor), copies of which accompany the Complaint as Annexes A and B, respectively, Complainant New Destiny owns and operates an adult entertainment Internet web site, specifically at

“www.homegrownvideo.com”. This site, which now apparently has a well-established presence, was created on August 21, 1997, and features content in the “amateur” genre. A hard copy printout of the home page from the site appears in Annex L to the Complaint.

Complainant Xplor owns the HOMEGROWN VIDEO Mark, which it licensed to New Destiny, along with “amateur” adult content, for use in connection with that site. For simplicity, the Panel will simply and hereinafter refer to both Complainants collectively as simply the Complainant, unless the context dictates that a specific reference is made to either one of them.

The Complainant’s web site is apparently well known in the industry, one of the reasons being that both New Destiny and Xplor have apparently been leading the industry’s defense of a patent infringement lawsuit filed by Acacia Media Technologies against various adult internet companies. Copies of various illustrative articles that relate to the site, including some of which that relate to the Acacia litigation, and which have appeared in industry publications, are provided in Annex D to the Complaint.

The Respondent provides a web site, resolvable through the disputed domain name, that directly competes with the Complainant’s site. Hard copy printouts of various pages from the Respondent’s site appear in Annex M to the Complaint.

The Complainant has never authorized the Respondent to use its HOMEGROWN VIDEO Mark.

Through email correspondence dated October 19, 2004 between Mr. Farrell Timlake (President of Xplor) and the Respondent, the former informed the Respondent of his view that the Respondent’s continued use of the disputed domain name infringed the HOMEGROWN VIDEO Mark. In a responding email of the same date to Mr. Farrell Timlake, the Respondent firmly disagreed. A copy of this email chain appears in Annex G to the Complaint. Subsequently, by an email dated May 2, 2005 to the Respondent, the Complainant’s attorney stated that the disputed domain name infringed on the Complainant’s HOMEGROWN VIDEO Mark and asked the Respondent to transfer that name to the Complainant. The Respondent, through an email dated May 3, 2005, then offered to sell the name to the Complainant for US \$5000. A copy of the May 2005 email exchange between the Complainant’s attorney and the Respondent appears in Annex I to the Complaint.

## **5. Parties’ Contentions**

### **A. The Complainant**

#### **(i) Identical or Confusingly Similar**

The Complainant contends that the disputed domain name is confusingly similar to the Complainant’s HOMEGROWN VIDEO Mark.

Specifically, the Complainant views that most of the distinctiveness in its HOMEGROWN VIDEO Mark results from the term “homegrown”. As such, the Complainant takes the view adding the term “whores” to “homegrown” to form the disputed domain name does not sufficiently distinguish that name from the Complainant’s Mark thus rendering the name confusingly similar to the Mark.

Furthermore, use of the name may in fact exacerbate user confusion inasmuch as the term “whores” is an apt term for an adult entertainment site and is used in conjunction with such a site that directly competes with the Complainant’s site - a site which is also addressed, in part, by the term “homegrown”.

Hence, the Complainant believes that it has satisfied the confusing similarity/identity requirement in paragraph 4(a)(i) of the Policy.

**(ii) Rights or Legitimate Interests**

The Complainant contends that the Respondent has no rights or legitimate interests in the disputed domain name pursuant to paragraph 4(a)(ii) of the Policy.

First, the Complainant states that the Respondent has never been known by or affiliated with the Complainant.

Second, the Complainant alleges that no evidence exists that the Respondent ever intended to use the disputed domain name in connection with any *bona fide* offering of services tied to that name, except to attract confused consumers to its own site. Specifically, when the Respondent chose the disputed domain name <homegrownwhores.com> which included the distinctive element of the Complainant’s Mark, the Respondent obviously knew of the reputation of the Complainant’s Mark in the adult entertainment industry. Yet, in spite of that knowledge, the Respondent registered the domain name - which includes no portion of the Respondent’s own name - and established a competing site resolvable through that domain name in order to capitalize on the Complainant’s reputation by exploiting likely user confusion. Through such confusion, the Respondent intended to attract users from the Complainant’s site to its own competing site. Hence, the Respondent can not show that it has any legitimate interests or rights in that name.

**(iii) Registered and Used in Bad Faith**

The Complainant contends that the Respondent has registered and is now using the disputed domain name in bad faith under paragraph 4(a)(iii) of the Policy.

First, the Complainant contends that the Respondent sought to capitalize on the goodwill of the Complainant’s HOMEGROWN VIDEO Mark by registering and using a strikingly similar domain name to sell adult entertainment services (the same as those offered by the Complainant), thereby cashing in on the Complainant’s goodwill in the adult entertainment industry. Moreover, the Respondent chose and began to use the disputed domain name in October 2004, years after the Complainant commenced use of both that Mark and the its domain name <www.homegrownvideo.com>. Hence, the Complainant believes that, through this conduct, the Respondent intentionally attempted to attract, for commercial gain, Internet users to its web site, by creating a likelihood of confusion with the Complainant’s Mark as to the source, sponsorship, affiliation, or endorsement of the Respondent’s web site or location or of a product or service on the Complainant’s web site or location, hence violating paragraph 4(b)(iv) of the Policy.

Second, the Complainant points to the Respondent’s offer, which occurred after the Complainant had informed the Respondent of the infringing nature of the name, to sell that name to the Complainant for US \$5000. The Complainant contends that this offer also evidences bad faith use in violation of paragraph 4(b)(i) of the Policy.

## **B. The Respondent**

The Respondent failed to file any Response to the allegations raised in the Complaint.

## **6. Discussion and Findings**

In view of the lack of a Response filed by the Respondent as required under paragraph 5 of the Rules, this proceeding has proceeded by way of default. Hence, under paragraphs 5(e), 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. Identical or Confusingly Similar**

The Panel finds that confusion is likely to arise as a result of the Respondent's use of the disputed domain name.

Ignoring the generic top level domain ".com", the disputed domain name is simply formed by taking the Complainant's HOMEGROWN VIDEO Mark and then substituting the term "whores" for the term "video" in that mark.

The Panel, in light of the fact that both the Complainant and the Respondent operate in the same business, does not find this change to be adequate to sufficiently dispel user confusion from occurring. Inasmuch as the Respondent failed to file a Response, the Panel can reasonably infer that the Respondent made this change, not to reduce such confusion, but rather to accentuate it, and, through that confusion, divert Internet traffic, to the Complainant's ultimate detriment, from the Complainant's site to the Respondent's site instead.

Such confusion would undoubtedly cause Internet users intending to access the Complainant's web site, but who were to reach the Respondent's site resolvable through the disputed domain name to think that an affiliation of some sort exists between the Complainant and the Respondent or its third-party transferee, when, in fact, no such relationship would exist at all. See, e.g., *The Cheesecake Factory Inc. and The Cheesecake Factory Assets Co., LLC v. Say Cheesecake*, WIPO Case No. D2005-0766 (September 12, 2005); *Napster, Inc. v. Giovanni Vinscani*, WIPO Case No. D2005-0531 (July 19, 2005); *Caesars Entertainment, Inc. v. Nova Internet Inc.*, WIPO Case No. D2005-0411 (June 22, 2005); *Lockheed Martin Corporation v. The Skunkworx Custom Cycle*, WIPO Case No. D2004-0824 (January 18, 2005); *Lockheed Martin Corporation v. Deborah Teramani*, WIPO Case No. D2004-0836 (December 1, 2004); *Register.com, Inc. v. Wolfgang Reile a/k/a RWG Internet et al.*, FA208576 (National Arbitration Forum, January 27, 2004); *Caesars World, Inc. and Park Place Entertainment Corporation v. Japan Nippon*, WIPO Case No. D2003-0615 (September 30, 2003); *Leiner Health Services Corp. v. ESJ Nutritional Products*, FA 173362 (National Arbitration Forum, September 16, 2003); *American Family Life Assurance Company of Columbus v. defaultdata.com aka Brian Wick*, FA 123896 (National Arbitration Forum, October 14, 2002); *AT&T Corp. v. Roman Abreu d/b/a Smartalk Wireless*, WIPO Case No. D2002-0605 (September 11, 2002); *L.F.P., Inc v. B and J Properties*, FA 109697 (National Arbitration Forum, May 30, 2002); *Peter Frampton v. Frampton Enterprises, Inc.*, WIPO Case No. D2002-0141

(April 17, 2002); *Spence-Chapin Services to Families and Children v. Stanley Wynman*, FA 100492 (National Arbitration Forum, December 10, 2001); *Meijer, Inc. v. Porksandwich Web Services*, FA 97186 (National Arbitration Forum, July 6, 2001); *MPL Communications, Limited et al v. IWebAddress.com*, FA 97092 (National Arbitration Forum, June 4, 2001); *American Home Products Corporation v. Ben Malgioglio*, WIPO Case No. D2000-1602 (February 19, 2001); *Surface Protection Industries, Inc. v. The Webposters a/k/a Mark's Paint Store, Inc.*, WIPO Case No. D2000-1613 (February 5, 2001); *Dollar Financial Group, Inc. v. VQM NET*, FA 96101 (National Arbitration Forum, January 25, 2001); *eBAY Inc. v. G L Liadis Computing, Ltd. and John L. Liadis d/b/a G L Liadis Computing Ltd.*, WIPO Case No. D2000-1463 (January 10, 2001); *Treeforms, Inc. v. Cayne Industrial Sales, Corp.*, FA 95856 (National Arbitration Forum, December 18, 2000); see also *Pep Boys Manny, Moe and Jack of CA v. E-Commerce Today, Ltd.*, AF-0145 (eResolution, May 3, 2000).

Therefore, the Panel finds that the disputed domain name sufficiently resembles the Complainant's HOMEGROWN VIDEO Mark as to cause confusion; hence, the Complainant has shown sufficient similarity between the disputed domain name and the mark under paragraph 4(a)(i) of the Policy.

## **B. Rights or Legitimate Interests**

The Panel not only finds that the Respondent has not provided any basis that would legitimize any claim it has to the disputed domain name, but the Panel also believes that it is extremely unlikely that the Respondent could ever make such a claim.

Specifically, the Complainant has never authorized the Respondent to utilize its HOMEGROWN VIDEO Mark or any mark confusingly similar thereto in conjunction with the specific adult entertainment services which the Complainant provides under its Mark, nor does the Complainant have any relationship or association whatsoever with the Respondent.

Hence, any use to which the Respondent were to put the mark HOMEGROWN VIDEO or one confusingly similar thereto, in connection with the services provided by the Complainant or those similar thereto would directly violate the exclusive trademark rights now residing in the Complainant. See, e.g., *The Cheesecake Factory Inc. and The Cheesecake Factory Assets Co., LLC v. Say Cheesecake*, WIPO Case No. D2005-0766 (September 12, 2005); *Napster, Inc. v. Giovanni Vinscani*, WIPO Case No. D2005-0531 (July 19, 2005); *Caesars Entertainment, Inc. v. Nova Internet Inc.*, WIPO Case No. D2005-0411 (June 22, 2005); *Pelmorex Communications Inc. v. weathernetwork*, WIPO Case No. D2004-0898 (December 28, 2004); *Sybase, Inc. v. Analytical Systems*, WIPO Case No. D2004-0360 (June 24, 2004); *Caesars World, Inc. and Park Place Entertainment Corporation v. Japan Nippon*, WIPO Case No. D2003-0615 (September 30, 2003); *Leiner Health Services Corp. v. ESJ Nutritional Products*, FA 173362 (National Arbitration Forum, September 16, 2003); *AT&T Corp. v. Roman Abreu d/b/a Smartalk Wireless*, WIPO Case No. D2002-0605 (September 11, 2002); *MPL Communications, Limited et al v. IWebAddress.com*, FA 97092 (National Arbitration Forum, June 4, 2001); *America Online, Inc. v. Xianfeng Fu*, WIPO Case No. D2000-1374 (December 11, 2000); and *Treeforms, Inc. v. Cayne Industrial Sales, Corp.*, FA 95856 (National Arbitration Forum, December 18, 2000). Consequently, the Respondent could not legally acquire any public association between it and the mark HOMEGROWN VIDEO or one similar thereto and hence could not be commonly known or recognized by that mark and thus could not fall within

paragraph 4(c)(ii) of the Policy.

Furthermore, as noted above, this Panel finds that the Respondent registered the disputed domain name, given its high degree of similarity to the Complainant's Mark, with one clear intent in mind: to intentionally divert users, as a result of the ensuing confusion, from the Complainant's site for the Respondent's own commercial gain. In the absence of any Response having been filed, the Panel infers that the Respondent had no other intent. Thus, the Respondent's actions can not fall within paragraph 4(c)(iii) of the Policy.

Thus, the Panel finds that the Respondent has no rights or legitimate interests in the disputed domain name within paragraph 4(a)(ii) of the Policy.

### **C. Registered and Used in Bad Faith**

The Panel also finds that the Respondent's actions constitute bad faith registration and use of the disputed domain name.

As discussed in the preceding section, the Panel infers that the Respondent was fully aware of the Complainant's HOMEGROWN VIDEO Mark when the Respondent registered the disputed domain name on October 17, 2004, and particularly the reputation which that mark had attained as a result of the Complainant's use starting some nine years earlier.

In fact, this Panel believes that the Respondent not only knew of the Complainant's prior and ongoing activities but also intentionally chose the disputed domain name due to its close similarity to the Complainant's Mark in order to trade off the Complainant's reputation. The Panel infers that the Respondent, by so doing, intended to either: (a) wait until an opportune time arose when it could attempt to sell that name to the Complainant for a sufficient sum of money which would clearly exceed the cost of obtaining the registration - which in fact the Respondent then actually did by offering to sell the domain name to the Complainant for US \$5000, and/or (b) use that name to divert users, seeking the Complainant's site, to the Respondent's site instead - which in fact the Respondent also did through its web site - and implying in the minds of those users that a relationship or affiliation of some sort existed between it and the Complainant - when no such relationship or affiliation then existed in actuality. Such conduct violates paragraphs 4(b)(iv) and 4(b)(i), respectively, of the Policy. See, e.g., *The Cheesecake Factory Inc. and The Cheesecake Factory Assets Co., LLC v. Say Cheesecake*, WIPO Case No. D2005-0766 (September 12, 2005).

Hence, the Panel views the Respondent's actions as constituting bad faith registration and use in violation of paragraph 4(a)(iii) of the Policy.

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

## **7. Decision**

Accordingly, under paragraphs 4(i) of the Policy and 15 of the Rules, the Panel now grants the relief sought by the Complainant.

The disputed domain name, <homegrownwhores.com>, is ordered transferred to the Complainant.

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Peter L. Michaelson  
Sole Panelist

Dated: October 14, 2005