



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

Lake at Las Vegas Joint Venture v. Principal Equiti, Inc.

Case No. D2002-0758

1. The Parties

The Complainant is Lake at Las Vegas Joint Venture, having a principal place of business at Nevada, United States of America.

The Respondent is Principal Equiti, Inc. having a principal place of business at California, United States of America.

2. The Domain Name and Registrar

The Contested Domain Name is <lakelasvegas.net>.

The Registrar is eNom Inc. located at 16771 NE 80th Street, Suite 100, Redmond, Washington 98052, United States of America.

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 ICANN 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 e-mail form on August 14, 2002, and in hard-copy form on August 16, 2002, along with Annexes A-J and the appropriate payment.

The Complainant's attorney stated that, on August 13, 2002, he served a copy of the Complaint itself together with a copy of the cover sheet, on the Respondent by email

(without exhibits) and registered postal mail (with exhibits) and on the Registrar by certified postal mail.

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 original Complaint, the Center, in accordance with paragraph 5 of the Supplemental Rules, determined whether the Complaint fully complied with the formal requirements of the Rules and the Supplemental Rules. In that regard, on August 14, 2002, the Center requested confirmation from the Registrar of information set forth in the Complaint relative to the contested 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 contested domain name, (b) the current status of that domain name, (c) 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, and (d) the language of the registration agreement.

Subsequently, on August 16, 2002, the Registrar provided its response to the Center through which the Registrar provided contact information pertinent to the contested domain name from its WHOIS database, confirmed that it had received a copy of the Complaint from the Complainant, confirmed that eNom Inc. is the registrar of that name, stated that the language of the registration agreement is English, and stated that the domain name was then in a "lock" status. The Registrar also informed the Center that the Respondent, through its registration agreement, 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 domain name.

Also, on August 20, 2002, the Center notified the Complainant of a deficiency in the Mutual Jurisdiction clause recited in the Complaint and requested that the Complainant appropriately remedy the deficiency. Later that day, the Complainant forwarded, by email, a copy of an Amendment to its Complaint through which it had amended the Complaint to recite the correct clause.

On August 27, 2002, 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, both in email and hard-copy form, to the Respondent (with the latter method forwarding a copy of all the annexes as well). In addition, the Center forwarded a copy, without annexes, of the Complaint by email and in hard-copy form, with annexes, to the Registrar. 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 27, 2002, under paragraph 4(c) of the Policy, this administrative proceeding is deemed to have commenced on that date.

Having reviewed the Complaint 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 16, 2002, to file its Response with the Center and serve a copy of the Response on the Complainant.

On September 16, 2002, the Respondent, by email, filed its Response, together with Annexes A-E, with the Center.

Accordingly, pursuant to the Rules and Supplemental Rules, by email letter dated September 20, 2002, the Center contacted the undersigned, Mr. Peter L. Michaelson, Esq., requesting his service as a sole Panelist for this dispute. Later that day, 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 email letter dated September 23, 2002, notified the parties of the appointment of Mr. Michaelson as 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 7, 2002.

On September 23, 2002, the Complainant filed a Reply by both email and registered mail with the Respondent, by email and certified mail with both the Registrar and directly with the Panel, and by email with the Center. The hardcopy versions of the Reply included Annexes K-O.

This dispute concerns one domain name, specifically: <lakelasvegas.net>.

The language of this proceeding is English.

4. Factual Background

A copy of the WHOIS registration record for the contested domain name appears in Annex A to the Complaint. As indicated on this record, the Respondent registered this name with the Registrar on September 30, 2000.

A. LAKE LAS VEGAS Marks

The Complainant owns five service mark registrations issued by the United States Patent and Trademark Office (US PTO). In Annex C, the Complainant has provided copies of the registrations for four of those marks and a hard-copy of the record, as publicly available on the web-accessible Trademark Electronic Search System (TESS) from the US PTO, for the fifth mark. These marks are as follows, with the last four having become incontestible.

- a) LAKE LAS VEGAS RESORT (block letters)
US registration no.: 2,496,368; registered: October 9, 2001

This mark was registered for use in connection with: “Real estate development of hotels, resorts, single-family homes, condominiums, shopping outlets, and office buildings, for recreational communities” in international class 37, and “Providing facilities for recreational activities” in international class 41. This mark claims, in international class 37, first use and first use in inter-state commerce of May 31, 1991, and, in international class 41, first use of May 31, 1991, and first use in inter-state

commerce of February 28, 1993.

- b) LAKE LAS VEGAS (stylized)
US registration no.: 1,853,323; registered: September 6, 1994

This mark was registered for use in connection with: “Providing facilities for recreational activities” in international class 41. This mark claims first use of February 11, 1993 and first use in inter-state commerce of August 26, 1993.

- c) LAKE LAS VEGAS (block letters)
US registration no.: 1,840,100; registered: June 14, 1994

This mark was registered for use in connection with: “Providing facilities for recreational activities” in international class 41. This mark claims first use of February 11, 1993 and first use in inter-state commerce of August 26, 1993.

- d) LAKE LAS VEGAS (block letters)
US registration no.: 1,752,891; registered: February 16, 1993

This mark was registered for use in connection with: “Real estate development of hotels and resorts for recreational communities” in international class 37. This mark claims first use and first use in inter-state commerce of January 5, 1991.

- e) LAKE LAS VEGAS (stylized)
US registration no.: 1,752,890; registered: February 16, 1993

This mark was registered for use in connection with: “Real estate development of hotels and resorts for recreational communities” in international class 37. This mark claims first use and first use in inter-state commerce of January 5, 1991.

B. The Parties' Activities

Starting at least as early as 1991, the Complainant has used the LAKE LAS VEGAS Marks in conjunction with its multi-million dollar real estate development and resort operations in the Nevada, the centerpiece of which is a man-made, privately owned lake it created.

In addition, the Complainant, through its web site, “www.lakelasvegas.com”, promotes real estate development and resort services under the LAKE LAS VEGAS Marks. A hard copy of a home page of that site appears in Annex D to the Complaint

The Complainant expends millions of dollars annually on print and other advertising to promote its services in conjunction with its LAKE LAS VEGAS Marks. The Complainant has respectively provided in Annexes E, F and G to the Complaint copies of recent advertising brochures detailing the Complainant’s services and resort, a current promotional packet and a videotape of a promotional commercial. As a result of the Complainant’s years of effort and millions of dollars of expenditures, the Complainant’s LAKE LAS VEGAS Marks have become widely known as symbols of Complainant’s real estate development and resort services.

The Complainant registered the contested domain name on June 4, 1998, but inadvertently allowed the registration to lapse. That registration expired on June 4, 2000. A copy of the prior registration record for the contested domain name appears in Annex K to the Complaint.

On September 30, 2000, approximately four months after the Complainant's registration expired, the Respondent and/or others affiliated with the Respondent registered the contested domain name. At first, the contested domain name was registered in the name of "Site Gallery", then ownership changed to "Inverse Gravity, Inc." and finally it changed to Principal Equiti, the present Respondent (as evidenced by copies of the registration records appearing in Annexes L, M and N to the Complaint, respectively.) A copy of the present registration record for the contested domain name appears in Annex A to the Complaint.

The Complainant sent correspondence to various entities associated with the Respondent explaining that the Complainant's registration for the contested domain name had lapsed inadvertently and objecting to the Respondent's registration of that name. In response, the Respondent offered to transfer the domain name to the Complainant in exchange for \$ 1,000.00 and consulting fees, along with permission from the Complainant for the Respondent to use the Complainant's LAKE LAS VEGAS mark (as a copy of an email proposal from the Respondent, a hard copy of which appears in Annex O to the Complaint, indicates). The Complainant declined the offer.

The Respondent provides web sites to various neighborhood communities in the United States. Background information about the Respondent's sites can be reviewed at "www.neighbors.com". The Respondent does not participate in home construction, resort management, real estate transactions or any activity described in Complainant's materials or marks. All the Neighbors.com web sites, provided by the Respondent, display the following disclaimer on every page: "Neighbors.com is a product of Principal Equiti, Inc. This web site has no affiliation with any homeowners' association, builder, or government agency."

The Respondent states that it has invested considerable sums of money and other business resources in its Neighbors.com product which will be used in the "LakeLasVegas.net" community web site.

In the nearly two years during which the Respondent has owned the contested domain name, no individual or corporation has ever contacted the Respondent to inquire about services pertaining to the design, construction, purchasing or selling of commercial or private property, real estate developments, land use, land speculation or any other service related to the Complainant's lines of business. No individual or corporation has notified the Respondent of any confusion occurring between it and the Complainant.

The Respondent acknowledges that the web page shown in Annex J to the Complaint is a page which the Respondent has displayed on its "LakeLasVegas.net" site since obtaining the contested domain name. The Respondent does not dispute that, in the two years since it registered the contested domain name, it has not yet developed an active web site accessible through the contested domain name.

The Respondent is actively deploying similar web sites as described at its site "www.neighbors.com" in accordance with the Respondent's business plan and in a way, according to the Respondent, that allows it to fully support each web site properly and appropriately. Respondent states that its plan includes obtaining domain names prior to actually launching the sites.

The Respondent states that it has been contacted by the Complainant several times over the past year, as a result of which the Respondent has explained its development plans and intentions to the Complainant.

5. Parties' Contentions

A. Complainant

i. Similarity/Identicality

The Complainant contends that the contested domain name is identical to the Complainant's "LAKE LAS VEGAS" Marks.

Specifically, the Complainant contends that the contested domain name is identical to the Complainant's LAKE LAS VEGAS mark with exception of a generic top level domain (gTLD), here being ".net", appended to it. In that regard, the Complainant takes the position that adding a gTLD to a mark to form a domain name is clearly insufficient to avoid a finding of likely confusion between the mark and that name, particularly since a gTLD is a non-distinctive element required to register that name as a domain name, citing to *NCAA v. Randy Pitkin, et al.*, WIPO Case No. D2000-0903 (March 9, 2001), (itself citing *McCarthy on Trademarks & Unfair Competition* § 23:50 (4th ed. 1998).

Therefore, the Complainant concludes that it has met the confusing similarity/identity requirement in paragraph 4(a)(i) of the Policy.

ii. Legitimacy

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

First, the Complainant contends that the Respondent is neither an owner nor a beneficiary of any trademarks or service marks identical to the contested domain name. In that regard, the Complainant states that its search conducted on TESS did not reveal any trademarks or service marks registered to the Respondent. Yet, with full knowledge of Complainant's rights, the Respondent registered the contested domain name which incorporates Complainant's LAKE LAS VEGAS mark. Therefore, the Complainant implies that the Respondent does not possess any rights or legitimate interests under paragraph 4(c)(ii) of the Policy.

In addition, the Complainant contends that the Respondent's registration of the contested domain name creates a likelihood of initial interest confusion for Internet users who search for information about the Complainant's resort operations. By using the contested domain name to divert those users who seek the Complainant's web site to the Respondent's web site, the Complainant contends that the Respondent is seeking to improperly benefit from the goodwill which the Complainant has developed in association with its marks. The Respondent's use of a domain name incorporating the Complainant's marks also dilutes the distinctive quality of the LAKE LAS VEGAS Marks by lessening the capacity of the Complainant to identify and distinguish its business activities from those of others over the Internet. Hence, the Complainant appears to conclude that the Respondent does not possess any rights or legitimate interests under paragraph 4(c)(iii) of the Policy either.

Thus, the Complainant concludes that the Respondent has no rights or legitimate interests in the contested domain name pursuant to paragraph 4(a)(ii) of the Policy.

iii. Bad Faith

The Complainant contends that the Respondent has registered and is now using the contested domain name in bad faith.

Specifically, as to bad faith registration, the Complainant contends that the Respondent cannot claim to be unaware of the Complainant's trademarks and corresponding rights in the contested domain name given that the Complainant and the Respondent are both located in the same general geographic area. Given the Respondent's apparent knowledge, the Complainant views the registration of the contested domain name by the Respondent as being opportunistic bad faith.

As to bad faith use, the Complainant states that, as of the filing of the Complaint, the Respondent has not offered any bona fide goods or services in connection with the contested domain name, nor has the Respondent used that name for any legitimate noncommercial purpose. Further, the Complainant contends that despite the nearly two years that have passed since the Respondent registered the domain name, the Respondent has failed to develop an active web site corresponding to the contested domain name. The Complainant contends that this inaction constitutes passive holding which also evidences bad faith use, citing to *Telstra Corp. Ltd. v. Nuclear Marshmallows*, WIPO Case No. D2000-0003 (February 18, 2000).

Furthermore, the Complainant contends that the Respondent's acts in registering the contested domain name have prevented Complainant from registering its LAKE LAS VEGAS mark in the .net gTLD, thus further evidencing the Respondent's bad faith.

Therefore, the Complainant concludes that the Respondent's conduct constitutes bad faith registration and use under paragraph 4(a)(iii) of the Policy.

B. Respondent

i. Similarity/Identity

The Respondent contends that the term LAKE LAS VEGAS is a commonly used geographic name describing a specific community in the state of Nevada. This name can be found in generic use in search engines (for which the Respondent provides search results from the Google search engine in Annex A to the Response), various web-based news articles (which the Respondent provides in Annexes B and E to the Response; the hard copy article in Annex B is entitled "Las Vegas Wash Coordination Committee" -- which shows a map in the upper right corner of the article having a partial caption "Map of the Las Vegas Valley showing the Las Vegas Wash as it flows under Lake Las Vegas into the Las Vegas Bay at Lake Mead"; the hard copy of the Article in Annex E being entitled "Japanese crab surfaces in Lake Las Vegas") publications, real estate listings, phone books, maps (which the Respondent has provided in Annex D in the Response; the map captioned "Las Vegas Neighborhoods" with a vertical map key situated along the right side of the map with the term "Lake Las Vegas" as an entry), and in common everyday language in the area. The Respondent notes that numerous previous rulings (presumably by various ICANN panels) have made clear that no company can own exclusive rights to geographic domain names.

Furthermore, the Respondent contends that there is no similarity in the design, use, color, or font style between the logos of the Complainant and the Respondent. Specifically, the Respondent has created no distinctive logo or mark for "Lake Las Vegas", since the words simply identify a geographic area. Furthermore, the

Respondent states that it has no intentions or plans to create a distinctive logo or mark for its use of the term “Lake Las Vegas”. The font style, size and color used to identify geographic locations on all of the Respondent's Neighbors.com web sites are identical, with those characteristics illustrated by the type shown in a hard-copy printout in Exhibit C to the Response.

Lastly, the Respondent appears to contend that inasmuch as the term “Lake Las Vegas” identifies a geographic location and is so known to the general public, then that term can not constitute a trademark or service mark within the United States.

ii. Legitimacy

As to having rights and legitimate interests in the contested domain name, the Respondent contends that it legally purchased that name in September 2000, from the available pool of domain names because that name identified a common geographic designation. The Respondent contends that inasmuch as the Complainant purchased <lakelasvegas.com> in 1996, but elected to not obtain <lakelasvegas.net> (the contested domain name), this clearly indicates that the Complainant did not feel that the contested domain name was sufficiently valuable.

Furthermore, the Respondent states that all its Neighbors.com web sites display the following disclaimer on every page: “Neighbors.com is a product of Principal Equiti, Inc. This web site has no affiliation with any homeowners' association, builder, or government agency.” Hence, the Respondent contends that “no reasonable person could read this disclaimer and conclude that the Respondent is a land development company, or represents or is affiliated with a land development company or any other function described in the Complainant’s trademarks.”

iii. Bad Faith

The Respondent disputes the Complainant's contentions that the Respondent's actions constitute bad faith use and registration.

Specifically, the Respondent states that in the nearly two years during which it has owned the contested domain name, no individual or corporation has ever contacted the Respondent to inquire about services pertaining to the design, construction, purchasing or selling of commercial or private property, real estate developments, land use, land speculation, or any other service related to the Complainant’s lines of business. No individual or corporation has notified the Respondent of any confusion occurring between it and the Complainant.

Furthermore, as to passive holding, the Respondent states that it has been contacted by Complainant several times over the past year, and the Respondent has explained its development plans and intentions to the Complainant. In that regard, the Respondent states that it is actively deploying similar web sites as described in the product material at Neighbors.com in accordance with its business plan and in a way that allows the Respondent to fully support each web site properly and appropriately. The Respondent states that its business strategy is to plan ahead regarding the company’s business activities. In that regard, the Respondent’s plan includes obtaining domain names for geographic locations prior to actually launching the sites. The fact that the Respondent indeed obtained, and continues to obtain, domain names that identify geographic locations, indicates the Respondent’s purposeful intentions.

Furthermore, the Respondent contends that, in previous communications with

Complainant, the Respondent was informed that a family relative of an officer of the Complainant wanted the contested domain name for use in a separate business (a cable company) unrelated to Lake Las Vegas Resorts. The Respondent stated that it was unwilling to sell the name and as a result was threatened with legal action, followed by the filing of the Complaint.

C. Additional submission -- Complainant's Reply

As to the Respondent's argument that the term "LAKE LAS VEGAS" is merely geographically descriptive and hence incapable of serving as a service mark, the Complainant counters, in its Reply, that the US PTO has registered that term as the Complainant's service marks and those registrations have now become incontestible. In that regard, the Complainant states that the Lanham Act provides that a registration constitutes prima facie evidence of the validity of a corresponding registered mark and of a registrant's exclusive right to use that mark on the goods or services specified in the registration, citing to 15 USC § 1057(b) and *McCarthy* at §§ 11:43 and 32:134.

Furthermore, the Complainant notes, citing to *Coca-Cola Co. v. Overland, Inc.*, 692 F.2d 1250, 1254 (9th Cir.), that "the general presumption of validity resulting from federal registration includes the specific presumption that the trademark is not generic." Further, the Complainant in determining whether a mark is generic is based upon "the primary significance of the registered mark to the relevant public" citing to *Anti-Monopoly, Inc. v. General Mills Fun Group, Inc.* 684 F.2d 1316 (9th Cir. 1982).

As such, the Complainant contends that if its LAKE LAS VEGAS Marks were merely geographically descriptive, then the US PTO would have refused their registration, but it did not do so. Hence, by virtue of the Complainant having been accorded registrations by the US PTO, the Complainant contends that its LAKE LAS VEGAS marks are entitled to a presumption of secondary meaning.

In addition, the Complainant contends that the Respondent chose the contested domain name because that name "includes the trademark, service mark, and trade name Lake Las Vegas" which refers to the Complainant's real estate development, including its private lake and resort and its marks, and hence is attempting to "prey upon the rights of Lake Las Vegas" in bad faith.

Moreover, as to the Respondent's assertion that the Complainant did not view the contested domain name as sufficiently valuable, the Complainant states that it had indeed registered that name but inadvertently allowed that registration to expire. Inasmuch as the Complainant had used that name, the Respondent's subsequent registration of that name constitutes bad faith -- absent any evidence to the contrary.

The Complainant points to the Respondent's affirmative statement that the Respondent intended to utilize the contested domain name in connection with a community web site for the Lake Las Vegas community which, when taken in view of the Complainant's prior registration of that name, constitutes further evidence of bad faith use.

Also, the Complainant contends that the Respondent's bad faith use and registration is also shown by its offer to sell the contested domain name to the Complainant for US\$1000 plus an undisclosed amount of legal costs and accounting fees -- sums in excess of the Respondent's costs of registration.

6. Discussion and Findings

The Panel, acting in its discretion under paragraph 10 of the Rules, has fully considered all the submissions filed by the parties including the Complainant's Reply.

i. Similarity

The Panel finds that confusion would likely arise as a result of the Respondent's anticipated use of the contested domain name in connection with a community web site concerning the Complainant's LAKE LAS VEGAS development, or its transfer of that name to a third party, not affiliated with the Complainant, who intends to use the name in the same or similar manner.

The only difference between the contested domain name, <lakelasvegas.net>, and the Complainant's mark "LAKE LAS VEGAS" is the inclusion in the former of ".net" as a gTLD. This difference is so de minimus and immaterial as to be utterly inadequate to preclude any confusion from occurring. For all practical purposes, the domain name in question is identical to the Complainant's mark "LAKE LAS VEGAS". See, e.g., *Ticketmaster Corporation v. DiscoverNet, Inc.* WIPO Case No. D2001-0252 (April 9, 2001); *NetWizards, Inc. v. Spectrum Enterprises* WIPO Case No. D2000-1768 (April 4, 2001), *MSNBC Cable, LLC v. Tsysys.com* WIPO Case No. D2000-1204 (December 8, 2000), *Wine.com, Inc. v. Zvieli Fisher* WIPO Case No. D2000-0614 (September 11, 2000) and *Lana Marks, Ltd., Inc. v. SYP Web* WIPO Case No. D2000-0304 (June 23, 2000). Furthermore, this Panel is in full accord with a prior panel decision, *Ticketmaster Corporation v. Dmitri Prem*, WIPO Case No. D2000-1550 (January 16, 2001), which held that a top-level domain is to be ignored in assessing similarity to a mark.

Such confusion would undoubtedly cause Internet users intending to access the Complainant's website, but who reach a website resolvable through the contested domain name, to think that an affiliation of some sort exists between the Complainant and the Respondent, when, in fact, no such relationship exists at all. See, e.g., *AT&T Corp. v. Roman Abreu d/b/a Smartalk Wireless* WIPO Case No. D2002-0605 (September 11, 2002); *Pfizer Inc. v. Order Viagra Online*, WIPO Case No. D2002-0366 (July 11, 2002); *Peter Frampton v. Frampton Enterprises, Inc.*, WIPO Case No. D2002-0141 (April 17, 2002); *MPL Communications, Limited and MPL Communications, Inc. v. LOVEARTH.net*, FA 97086 (Nat. Arb. Forum, June 4, 2001); *MPL Communications, Limited et al v. IWebAddress.com*, FA 97092 (Nat. Arb. Forum June 4, 2001); *American Home Products Corp. v. Malgioglio*, WIPO Case No. D2000-1602 (February 19, 2001); *Surface Protection Indus., Inc. v. The Webposters*, WIPO Case No. D2000-1613 (February 5, 2001); *Dollar Financial Group, Inc. v. VQM NET*, FA 96101 (Nat. Arb. Forum January 25, 2001); *eBAY Inc. v. G L Liadis Computing, Ltd.*, WIPO Case No. D2000-1463 (January 10, 2001); *Treeforms, Inc. v. Cayne Indus. Sales Corp.*, FA 95856 (Nat. Arb. Forum December 18, 2000); and *The Pep Boys Manny, Moe and Jack of California v. E-Commerce Today, Ltd.*, AF-0145 (eResolution, May 3, 2000).

As to the Respondent's contention that the mark "LAKE LAS VEGAS" is merely geographically descriptive, the Panel finds the Complainant's argument highly persuasive. In that regard, the Panel points out that the US PTO, which is officially charged with the task of determining, in the first instance, whether terms are registrable as service marks or trademarks and which has acquired substantial expertise in so doing, has registered the Complainant's LAKE LAS VEGAS mark in connection with the Complainant's private real estate development and resort. Given the expertise of the

US PTO, its decisions as to registrability are to be accorded significant deference by ICANN panels, certainly including this one. ICANN panels simply do not have the power to review those decisions. Moreover, even apart from those jurisdictional concerns but clearly in view of the rather summary and abbreviated nature of ICANN proceedings, ICANN panels are grossly ill-equipped to deal with an extensive factual inquiry that typically underlies such a determination.

Further, where a respondent raises questions, as has been done here, as to whether a term that had been registered as a mark has become, through subsequent use, merely geographically descriptive and hence no longer capable of serving as a registered mark -- thereby obviating an assessment of identity or confusing similarity under paragraph 4(a)(i) of the Policy, ICANN panels must, of necessity, defer all questions as to the continued viability of that registration to an appropriate proceeding and forum properly equipped and charged with the legal authority to handle the issue, such as a cancellation action in the PTO or adjudication in Federal court.

Even assuming the Panel had such jurisdiction -- which it does not, the incontestible nature of several of the LAKE LAS VEGAS Marks would negate the Respondent's challenge. In that regard, incontestible marks are not susceptible to attack as being geographically descriptive. See *McCarthy* at § 14:26. Specifically, the Court in *Tonka Corporation v. Tonka Phone Inc et al* 229 U.S.P.Q. 747, 753 (D. Minn. 1985), aff'd 231 U.S.P.Q. 831 (8th Cir. 1986) cited to *Park N' Fly, Inc. v. Dollar Park and Fly, Inc.* 224 U.S.P.Q. 327 (Sup. Ct. 1985) and quoted the U.S. Supreme Court in its holding, at page 330, that "an incontestible mark may not be challenged on the grounds that the mark is merely descriptive." Also, see 15 U.S.C. § 1065.

Therefore, the Panel finds that the contested domain name <lakelasvegas.net> sufficiently resembles the Complainant's "LAKE LAS VEGAS" Marks as to cause confusion; hence, the Complainant has shown sufficient similarity between its mark and the contested domain name under paragraph 4(a)(i) of the Policy.

ii. Illegitimacy

Certainly given its United States service mark registrations, the Complainant has acquired exclusive rights to use its "LAKE LAS VEGAS" Marks in conjunction with the services which the Complainant has been providing under those marks. Furthermore, by virtue of having registered its "LAKE LAS VEGAS" Marks -- as discussed above, the US PTO has recognized that these marks have acquired requisite secondary meaning in the marketplace. The existence of adequate secondary meaning is reinforced by the incontestible nature of four of those marks.

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

The simple reason is that the contested domain name contains the Complainant's mark "LAKE LAS VEGAS" under which the Complainant provides its services. Furthermore, the Complainant has never authorized the Respondent to utilize the mark "LAKE LAS VEGAS" or a mark confusingly similar thereto, in conjunction with the specific services or any service similar thereto which the Complainant provides under those marks, 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 "LAKE LASE VEGAS"

or a mark confusingly similar thereto, in connection with services identical or similar to those presently provided by the Complainant would directly violate the exclusive trademark rights now residing in the Complainant. See, e.g., *AT&T* cited *supra*; the *MPL Communications*, FA 97086 and FA 97092 decisions, cited *supra*; *America Online, Inc. v. Xianfeng Fu*, WIPO Case No. D2000-1374 (December 11, 2000), and *Treeforms, Inc. v. Cayne Ind. Sales Corp.*, cited *supra*.

Furthermore, this Panel does not view a community web site (as intended to be provided by the Respondent) as being sufficiently distinct and disparate from a real estate development and resort (created by the Complainant and currently in existence) -- particularly one to which that community site is aimed -- as to adequately ameliorate any likelihood that user confusion would result from concurrent use of that mark by both parties.

It is eminently clear to this Panel that the Respondent, in choosing a domain name that completely incorporates the Complainant's "LAKE LAS VEGAS" mark is intentionally seeking to create a domain name that is a confusingly similar to the mark so as to opportunistically exploit Internet user confusion by diverting, through re-direction and diversion, Internet users away from the Complainant's site to the Respondent's website for the latter's own pecuniary benefit.

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

Moreover, the Panel is cognizant of the heavy burden that would be placed on complainants if, in support of their cases on illegitimacy, each of those complainants were to be impressed with a burden of providing detailed proof of any lack of rights or legitimate interests on behalf of their respondents. The Panel believes that where allegations of illegitimacy are made, particularly as here, when coupled with conduct of a respondent that evidences bad faith, it is quite reasonable to shift the burden of proof to that respondent to adequately show that its use of the 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 here falls far short of meeting this burden -- particularly given that no facts have been proven to support such usage. See *AT&T*, cited *supra*; *Peter Frampton v. Frampton Enterprises, Inc.*, cited *supra*; *American Home Products Corp. v. Malgioglio*, cited *supra*; *Surface Protection Industries, Inc. v. The Webposters*, cited *supra*; *College Summit, Inc. v. Yarmouth Educational Consultants, Inc.*, WIPO Case No. D2000-1575 (January 17, 2001); *MSNBC Cable, LLC v. Tsys.com*, WIPO Case No. D2000-1204 (December 8, 2000) and *Playboy Enterprises International, Inc.*, WIPO Case No. D2000-1016 (November 7, 2000).

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

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

iii. Bad Faith

The Panel firmly believes that the Respondent's actions constitute bad faith registration and use of the contested domain name.

It is inconceivable to this Panel that, when the Respondent chose and registered the contested domain name in 2000, it had not been fully aware of the Complainant's LAKE LAS VEGAS mark and particularly the reputation that mark had attained as a result of the Complainant's extensive real estate development activity, starting some nine years earlier, in Nevada -- particularly in view of the Respondent's location in Southern California (specifically San Diego) which is in the same basic area (southwest) of the United States and, in fact, in a neighboring state. In fact, this Panel believes that the Respondent not only knew of the Complainant's prior and ongoing activities but also intentionally chose the contested domain name due to its inclusion of the Complainant's LAKE LAS VEGAS mark in order to trade off the Complainant's reputation. By so doing, it is clear to this Panel that the Respondent, in selecting the contested domain name that mirrored the Complainant's LAKE LAS VEGAS mark, intended to use that name to divert users, seeking the Complainant's site, to the Respondent's community web site instead, whenever the Respondent's site were to become operational, by implying in the minds of those users that a relationship or affiliation of some sort existed between it and the Complainant -- when in fact no such relationship or affiliation existed in actuality. Such conduct violates paragraph 4(b)(iv) of the Policy.

Furthermore, the Panel finds that the Respondent's continued retention and non-use of the contested domain name -- particularly in spite of its knowledge of the Complainant's rights in that name and its LAKE LAS VEGAS Marks, amounts to passive holding which unquestionably reflects bad faith use. In that regard, not only does the Respondent not dispute that, in the two years since it registered the name, it has not yet developed an active web site accessible through that name but also and equally importantly, it fails to specify any date certain when it would provide such a site, thus implying that it could very well hold the name for an indefinite period of time prior to so using it. This, in turn, only heightens the Panel's finding of passive holding.

Various panels have held that passive holding, coupled with a respondent's knowledge of trademark rights of a complainant in the name being so held -- as is clearly the case here, can amount to bad faith use under paragraph 4(a)(iii) of the Policy. In that regard, see, e.g., *America Online, Inc. v. Curtis Woods* WIPO Case No. D2001-0555 (June 13, 2001); *Awesome Kids LLC and/or Awesome Kids L.L.C. v. Selavy Communications* WIPO Case No. D2001-0210 (April 16, 2001); *Liberty Public Limited Company v. Thomas Guarrera* FA 95103 (Nat. Arb. Forum August 17, 2000); *V & S Vin & Spirit Aktiebolag v. Gunnar Hedenlans Peev* FA 95078 (Nat. Arb. Forum August 9, 2000); and *Telstra Corporation Limited v. Nuclear Marshmallows* WIPO Case No. D2000-0003 (February 18, 2000).

Hence, the Panel views the Respondent's actions as constituting bad faith registration and use under the Policy.

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

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 contested domain name, specifically <lakelasvegas.net>, is ordered transferred to the Complainant.

Peter L. Michaelson, Esq.
Sole Panelist

Dated: October 4, 2002