



WIPO Arbitration and Mediation Center

ADMINISTRATIVE PANEL DECISION

MSNBC Cable, LLC v. Tsys.com

Case No. D2000-1204

1. The Parties

Complainant:

MSNBC Cable, LLC ("MSNBC")
Microsoft Legal and Corporate Affairs
One Microsoft Way
Redmond, Washington 98052-6399
United States of America

Respondent:

Tsys.com
8215 Oneal Road
Raleigh, North Carolina 27613
United States of America

2. The Domain Name and Registrar

Contested Domain Name: "msnbc.org"

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 with (the "Center") by e-mail on September 13, 2000 and in hard copy, with Exhibits A-H, as well as the appropriate payment on September 14, 2000. The Complainant states that on September 12, 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 September 27, 2000, to the Complainant. In an e-mail dated September 27, 2000, and addressed to the Center, the Respondent replied to the Complaint. This reply, being two paragraphs in length, did not constitute a formal response under the paragraph 5(b) of the Rules.

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 that the Complaint fully complied with the formal requirements of the Rules and the Supplemental Rules. In that regard, on September 18, 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 September 24, 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 5.0 Service Agreement), and that the contested domain name was in an "active" status.

On September 27, 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 last 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, the notification to the Respondent having occurred on September 27, 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 October 16, 2000, to file its response with the Center and serve a copy of the response on the Complainant.

As of October 25, 2000, the Center had not receive a response from the Respondent. Hence, on that date, the Center so notified the Complainant by e-mail, and the Respondent, by e-mail, courier and facsimile, that the administrative proceeding would proceed by way of default.

Accordingly, pursuant to the Rules and Supplemental Rules, on or about October 31, 2000, the Center contacted the undersigned, Mr. Peter L. Michaelson, Esq., requesting his service as a sole panelist for this dispute. On the same 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 e-mail dated November 8, 2000, notified the parties of the appointment of Mr. Michaelson as the panelist.

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 22, 2000.

This dispute concerns one domain name, specifically "msnbc.org". The language of this proceeding is English.

4. Factual Background

Inasmuch as the Respondent, "Tsys.com", has failed to respond to the Complaint as required by the Policy and Rules, all the factual representations alleged by the Complainant, MSNBC, will be accepted as undisputed. For convenience of the reader, factual allegations from the Complaint are reproduced below.

Complainant MSNBC owns various currently valid and subsisting U.S. trademark and service mark registrations that include the term "MSNBC", either in block letters or in conjunction with a stylized pattern (collectively the "MSNBC Marks"). These marks are used in conjunction with various goods and services, including cable broadcasting services, television broadcasting services, satellite and direct television transmission broadcasting services; entertainment television services; news agency services; public opinion polling for news reporting purposes; providing information over the Internet in a wide variety of fields, such as weather, entertainment, business, commerce, investment, finance and sports; and offering prerecorded videotapes of its own news and entertainment programs.

In that regard, the Complainant has provided copies, in Exhibit D 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 five of its registrations that either depict the term "MSNBC" alone in block letters (the "MSNBC" mark) or in a stylized pattern. These representative marks are:

- 1) MSNBC (block letters)

US registration 2,230,013; registered March 9, 1999

This service mark was registered for use in connection with: "Cable broadcasting services, television broadcasting services, satellite and direct television transmission broadcasting services", in international class 38. This mark claims first use and first use in inter-state commerce of July 15, 1996.

2) MSNBC (block letters)

US registration 2,227,255; registered March 2, 1999

This service mark was registered for use in connection with: "Entertainment services, namely the production and distribution of television programs; providing information in the fields of entertainment, sports, and over computer networks and global communications networks", in international class 41. This mark claims first use and first use in inter-state commerce of July 15, 1996.

3) MSNBC (stylized)

US registration 2,218,256; registered January 19, 1999

This service mark was registered for use in connection with: "News agency services, namely, gathering and disseminating news; public opinion polling for news reporting purposes; providing information in a wide variety of fields over computer networks and global communication networks; providing weather information over computer networks and global communication networks", in international class 42. This mark claims first use and first use in inter-state commerce of August 1, 1996.

4) MSNBC (stylized)

US registration 2,195,100; registered October 13, 1998

This service mark was registered for use in connection with: "Providing information in the fields of investment and finance over computer networks and global communications networks", in international class 36. This mark claims first use and first use in inter-state commerce of August 1, 1996.

5) MSNBC (stylized)

US registration 2,195,095; registered October 13, 1998

This trade mark was registered for use in connection with: "Prerecorded videotapes of news and entertainment; mouse pads for use with computers; computer programs for providing access to news updates and displaying news updates on a computer display screen", in international class 9. This mark claims first use and first use in inter-state commerce of August 1, 1998.

MSNBC is a widely known, worldwide news organization that uses three media technologies, namely broadcast, cable and the Internet, to bring its viewers

up-to-the-minute worldwide news. In connection with the MSNBC Marks, the Complainant established a website "msnbc.com", through which it offers full news coverage of a current day's events, updates on breaking stories and in-depth reports on popular and thought-provoking topics, sports coverage, business news, weather and traffic, science and technology, lifestyles and entertainment. MSNBC offers many of its services in full multimedia, with audio and video reports from NBC News and MSNBC reporters, through its interactive "msnbc.com" website (through which a viewer can customize the type of news that (s)he most regularly wishes to access). MSNBC also offers its programs for sale on videocassette.

The Complainant states it has spent considerable time, effort and money advertising and promoting the MSNBC Marks throughout the United States and the world. Consequently, the Complaint asserts that its MSNBC Marks have become widely known and respected. As a result, MSNBC has developed significant amounts of goodwill in those marks. Furthermore, the Complainant alleges that the MSNBC mark has acquired "fame" in the marketplace (hence qualifying that mark as being a "famous" mark under Section 43(c)(1) of the Lanham Act, i.e., 15 U.S.C. §1125(c)(1)).

As indicated in Exhibit A to the Complaint, the WHOIS registration record from NSI, as well as the confirmation information provided to the Center, indicates that the Respondent is the current owner of the contested domain name.

Upon entering the contested domain name, as a URL, into a browser, an Internet user is directed to the Respondent's website, which displays a large, prominent hyper-link to Respondent's web hosting and development company website, "Tsys.com". This website features commercial advertisements regarding Tsys' access to "hot domains" and its web hosting and development services. A copy of a printout of the web page located at the Respondent's website, reachable through use of "msnbc.org", is provided as Exhibit F to the Complaint.

Respondent's html title for its "msnbc.org" home page states: "Domains for sale - Buy top quality traffic producing domains here!" In addition, the html code for that page contains, the following html coding, which the Complainant views as being Respondent's description of its "msnbc.org" website: "domains for sale, domains, lease, domain, for lease, web, address, url, mercedes, dealers". A copy of a printout of the salient html code, ostensibly for the home page of the Respondent's "msnbc.org" website, is provided in Exhibit G to the Complaint.

Mr. Marc Stephens, who is apparently a principal of the Respondent, admitted to the Complainant that he registered the contested domain name "simply out of amazement that it was available." A hard-copy of a pertinent e-mail message dated March 9, 2000, from Mr. Stephens to counsel for the Complainant is provided in Exhibit E to the Complaint.

On March 9, 2000, the Complainant's attorneys sent an e-mail letter to Mr. Stephens demanding transfer of the contested domain name to the Respondent. Though Mr. Stevens initially agreed to the transfer through a reply e-mail of the same date, he subsequently did not transfer the domain name as Complainant's attorneys demanded. The Complainant has provided, in Exhibit H to the Complaint, copies of subsequent correspondence between it's counsel and Mr. Stephens.

The Complainant states that the Respondent has no connection or affiliation with the Complainant and has not received any license or consent, express or implied, to use the

MSNBC mark in a domain name or in any other manner. Furthermore, the Complainant states that there is no connection between the Respondent's web hosting and development products and services and the Complainant's MSNBC mark.

5. Parties' Contentions

A. Complainant

1. Similarity

The Complainant takes the position that the contested domain name is identical to its MSNBC mark; hence, satisfying the confusing similarity requirement in paragraph 4(a) of the Policy.

In that regard, the Complainant contends that Internet users who seek a website of a company would expect to find that site at a domain name comprised of the company's name or trademark, through use of any one of various possible generic top level domains, particularly ".com" or ".org". Hence, MSNBC specifically contends that some Internet users, who seek its website, would be likely enter "msnbc.com" while others, who seek the same site, are likely to enter "msnbc.org". Users who enter the former will reach the Complainant's site. Those others will not; they will reach the Respondent's site even though their intent was to access the Complainant's site. As such, the Complainant contends that these latter users will become frustrated at not reaching the Complainant's site or confused into assuming that an affiliation of some sort exists between Respondent's and Complainant's websites, when in fact no such affiliation exists at all.

Hence, the Complainant concludes that the contested domain name is confusingly similar to the Complainant's MSNBC marks under paragraph 4(a) of the Policy.

2. Legitimacy

MSNBC contends, that the Respondent has no legitimate interest in the contested domain name.

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

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

3. Bad Faith

MSNBC contends that the Respondent registered the contested domain name in bad faith.

In that regard, the Complainant points to Mr. Stephens' admission, as provided in Exhibit E of the Complaint, to the Complainant's counsel that the Respondent registered the domain name, "msnbc.org", simply "out of amazement that it was

available.” Based on this, the Complainant contends that not only was the Respondent aware that “MSNBC” was a famous mark at the time the Respondent registered the contested domain name, but also it registered that name specifically because it contained a famous mark.

The Complainant further contends that since there is no connection whatsoever between the legitimate commercial products and services (web hosting and development) offered by Respondent and those offered by the Complainant under the MSNBC mark, then Respondent registered the contested domain name either to sell it to a third party for profit (in connection with Respondent’s business in selling “hot domains”) or to increase the traffic to its web services-related “Tsys.com” site by wrongfully capitalizing on MSNBC’s famous MSNBC mark.

Furthermore, MSNBC contends that the Respondent is using the contested domain name in bad faith.

To specifically support this view, the Complainant first contends that the Respondent uses the contested domain name to direct traffic, purportedly destined to the Complainant's website (accessible at “msnbc.com”) away from that site and towards the Respondent's own “msnbc.org” website. The Complainant also points to the fact that Respondent's website, when accessed, displays a large, prominent hyper-link to Respondent’s web hosting and development company website, “Tsys.com” and features commercial advertisements regarding Tsys’ access to “hot domains” and its web hosting and development services.

The Complainant views this action by the Respondent as an attempt, in contravention of paragraph 4(b)(iv) of the Policy, to intentionally attempt to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's MSNBC mark as to the source, sponsorship, affiliation, or endorsement of its website or location of a product or service on its website.

As further evidence of bad faith use, the Complainant points to Respondent's conduct, as part of its business, of purposefully registering and selling domain names that generate a high level of traffic. To support this view, the Complainant points to the facts that:

- (a) the html title for the “msnbc.org” website states: “Domains for sale --Buy top quality traffic producing domains here!”; and
- (b) in the html code (as provided in Exhibit G to the Complaint) for this site, the content of the “msbnc.org” website is apparently categorized, in, e.g., a meta-tag, as “domains for sale, domains, lease, domain, for lease, web, address, url, mercedes, dealers”. With respect to this code, the Complainant specifically contends that the Respondent is using famous trademarks, including “mercedes” and “MSNBC”, either to generate traffic to its website which offers domain names for sale for profit or to divert traffic to its “Tsys.com” website which advertises Respondent’s web hosting and development business.

Hence, the Complainant believes that Respondent has acquired the contested domain name primarily for the purpose of selling, renting, or otherwise transferring the

registration for this domain name to a competitor of the Complainant, for valuable consideration in excess of Respondent's out-of-pocket costs.

Therefore, 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 a response filed by the Respondent, "Tsys.com", 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. Similarity

No doubt exists whatsoever that, for all practical purposes, the contested domain name is identical to the "MSNBC" mark. The sole difference between the contested domain name and the registered "MSNBC" mark are simply the inclusion of a generic top-level domain (.org) in the former. This difference is so de minimus as to be inadequate to preclude any confusion from occurring.

In that regard, it is beyond question that confusion would likely arise when and if the Respondent, or any third-party not affiliated with the Complainant to which the Respondent were to transfer the contested domain name, or were to start using the contested domain name in conjunction with goods and/or services similar to those of the Complainant.

Such confusion, should it occur, would undoubtedly cause Internet users intending to access the Complainant's website, but who reach a website through the contested 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.

The Panel agrees with the Complainant that it is reasonable for an Internet user who seeks a website of a given content provider, such as here MSNBC, to form an address (URL) of that site using the registered mark through which the content provider is known, here being "MSNBC", followed by any one of several well known generic top level domains, such as ".com", ".org" or even ".net".

The Panel is very mindful of not imposing unreasonable, excessive and unfair burdens on Internet users. The Panel believes that such a burden would arise if such a user, in seeking to reach a desired website, were required to correctly discriminate between several plausible generic top level domains (gTLDs) by remembering and then entering just that one specific gTLD to use (i.e., whether it is ".org" or ".com" or ".net") for reaching that site, and where, should (s)he enter the wrong gTLD that user would be transported to an unrelated website that engenders source confusion.

Were this Panel to permit a party, unrelated to a trademark owner (or its licensee), to incorporate its trademark as a formative element of a URL but with a different gTLD from that which the trademark owner utilizes in a domain name for its own site, the Panel would be implicitly permitting increased source confusion and trademark dilution to occur. Proper recognition of trademark rights imposes a duty not only on this Panel, but also others like it, to remain ever vigilant against such intrusions on trademark rights -- intrusions that, if not thwarted in their infancy, would only intensify as additional gTLDs become available, to the detriment of trademark owners and their licensees, and certainly to Internet users.

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

B. Illegitimacy

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

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 includes the Complainant's "MSNBC" mark under which MSNBC distributes its goods and services, and has been doing so for some time. MSNBC has never authorized the Respondent to utilize any of its registered marks, nor does MSNBC have any relationship or association whatsoever with the Respondent. Hence, any use to which the Respondent were to put to of any of the MSNBC Marks, including the "MSNBC" mark itself, in connection with the goods or services listed in the corresponding registration would directly violate the exclusive trademark rights now residing in MSNBC.

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 legitimate rights in the contested domain name, whether on a commercial or non-commercial basis.

In that regard, the Panel finds that the Respondent's efforts in registering the contested domain name and using it, as a means to redirect Internet users to Respondent's own website, through which it offers domain names for resale, as well as web hosting and development services, that have no connection whatsoever with the Complainant, fail to constitute a bona fide commercial offering of goods or services under the contested domain name. Moreover, the Panel finds that such use certainly does not constitute a legitimate non-commercial or fair use without any intent either for commercial gain, or to misleadingly divert consumers or tarnish the trademark or service mark at issue.

In fact, the Respondent's continued retention of the contested domain name coupled with redirection of an Internet user, who enters that domain name 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

The Panel is not persuaded that the Respondent chose “msnbc.org”, which contains the Complainant's registered mark "MSNBC", for any reason other than a future expectancy of holding this particular name for sale to MSNBC (or others) for a sum well in excess of the Respondent's costs of registration. If this were not the case, then one could very well ask why would the Respondent offer this domain name for sale, through its website, on a site accessible by that domain name, if its 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 name to divert web visitors to a site held by the Respondent through which it offers domain names for sale -- including the contested domain name, merely compounds the harm which the Respondent is inflicting on those trademark owners; harm which the Policy and the Anti-Cybersquatting 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 the contested domain name also 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 paragraphs 4(i) of the Policy and 15 of the Rules, the relief sought by the Complainant is hereby granted. The contested domain name, "msnbc.org", is ordered transferred to the Complainant.

Peter L. Michaelson, Esq.
Sole Panelist

Dated: December 8, 2000