

ADMINISTRATIVE PANEL DECISION

WGCZ S.R.O. v. Worldwide Media, Inc.

Case No. D2014-0428

1. The Parties

The Complainant is WGCZ S.R.O. of Las Vegas, Nevada, United States of America, represented by Randazza Legal Group, United States of America.

The Respondent is Worldwide Media, Inc. of Deerfield Beach, Florida, United States of America, represented by John Berryhill, United States of America.

2. The Domain Name and Registrar

The disputed domain name <x-videos.com> is registered with 1API GmbH (the “Registrar”).

3. Procedural History

The Complaint was filed with the WIPO Arbitration and Mediation Center (the “Center”) on March 19, 2014. On March 20, 2014, the Center transmitted by email to the Registrar a request for registrar verification in connection with the disputed domain name. On March 21, 2014, the Registrar transmitted by email to the Center its verification response confirming that the Respondent is listed as the registrant and providing the contact details.

The Center verified that the Complaint satisfied the formal requirements of the Uniform Domain Name Dispute Resolution Policy (the “Policy”) the Rules for Uniform Domain Name Dispute Resolution Policy (the “Rules”), and the WIPO Supplemental Rules for Uniform Domain Name Dispute Resolution Policy (the “Supplemental Rules”).

In accordance with the Rules, paragraphs 2(a) and 4(a), the Center formally notified the Respondent of the Complaint, and that the proceedings commenced on April 2, 2014. In accordance with the Rules, paragraph 5(a), the due date for Response was set to April 22, 2014. The Response was filed with the Center on April 23, 2014.

The Center appointed Peter L. Michaelson, M. Scott Donahey and Richard G. Lyon as panelists in this

matter on May 21, 2014. The Panel finds that it was properly constituted. Each member of the Panel has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by the Center to ensure compliance with the Rules, paragraph 7.

Subsequently, the Complainant submitted a Supplemental Filing to the Center, followed by the Respondent then having submitted its own such filing. On May 30, 2014, the Center forwarded both of those filings to the Panel.

4. Factual Background

As reflected in the registration record for the disputed domain name in the Registrar's Whois database (a copy of that record appears annexed to the Complaint), the disputed domain name was originally registered on April 25, 2003 and is set to expire on April 25, 2014.

A. Complainant's XVIDEOS Marks

As indicated in the Complaint, the Complainant owns a U.S. and two Community trademark registrations for marks solely containing the term XVIDEOS. In corresponding annexes attached to the Complaint and the Complainant's Supplemental Filing, the Complainant has provided copies of its registration certificates. Pertinent details of these registrations are as follows:

1. XVIDEOS
United States registration no. 4,341,707
registered: May 28, 2013; filed: September 11, 2012

This mark is registered, under Lanham Act § 2(f), for use in connection with: "entertainment services, namely, providing a web site featuring photographic, audio, video and prose presentations featuring adult-oriented subject matter" in international class 41, and claims a first use date of August 20, 2006 and a first use in commerce date of April 1, 2007.

2. XVIDEOS
Community (CTM) registration no. 011945821
registered: November 26, 2013

This mark is registered for use in connection with: "entertainment services, namely, providing a website featuring photographic, audio, video and prose presentations featuring adult-oriented subject matter" in international class 41.

3. XVIDEOS (stylized)
Community (CTM) registration no. 011945987
registered: November 26, 2013

This mark is registered for use in connection with: "entertainment services, namely, providing a website featuring photographic, audio, video and prose presentations featuring adult-oriented subject matter" in international class 41.

B. The Parties and their Interactions

Though the party submissions are rather verbose, fortunately the relevant facts, as follows, which underlie this dispute and upon which the Panel bases its decision are succinct and rather simple, and not seriously disputed.

The Complainant owns and operates the domain name <xvideos.com>, and has used this domain for several years in connection with providing adult entertainment services over the Internet. A redacted version of its home page appears annexed to the Complaint. The Complainant's predecessor-in-interest acquired

the name <xvideos.com> on August 20, 2006.

The Respondent acquired the disputed domain name on March 17, 2007 (though the Respondent avers it can prove an earlier date, it has voluntarily limited itself for purposes of this proceeding to March 17, 2007 as being the earliest date it acquired the disputed domain name as reflected on publicly available records). Ever since that date, it has continuously used the name as an address of its web site through which it advertises adult content and provides such content on a pay-by-click basis.

At least as early as April 2006, other web sites, as indicated in an annex to the Complaint, used the term XVIDEOS in conjunction with offering adult oriented video products and related entertainment services. Those sites cumulatively experienced considerable web traffic as a result of the then popular demand for their offerings.

5. Parties' Contentions

A. Complainant

(i) Identical or Confusingly Similar

The Complainant contends that the disputed domain name is either identical or confusingly similar to the Complainant's XVIDEOS Marks. Specifically, the disputed domain name contains the term "xvideos" with a hyphen between "x" and "videos" followed by the generic Top-Level Domain .com, with the hyphen being incapable of adding sufficient distinctiveness whatsoever to the name to mitigate any resulting user confusion between the name and the XVIDEOS Marks.

Furthermore, the Complainant contends that it has acquired common law rights in its mark XVIDEO dating back to April 26, 2006 based on the fact that various other websites at the time displayed the term "xvideos" in conjunction with offering adult entertainment video products. The Complainant asserts that such use of the term evidences the secondary meaning which the Complainant had by then established in its mark.

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, for various reasons, the Respondent has no rights or legitimate interests in the disputed domain name pursuant to paragraph 4(a)(ii) of the Policy.

First, the Respondent's use of the disputed domain name has always been either speculative or infringing, with a pay-per-click site keyed to take advantage of the Complainant's rights. Pay-per-click sites and domain parking pages are not *bona fide* offerings of goods or services where, as here, they compete with services offered by the Complainant trademark owner or trade off the good name of a competitor, namely the Complainant.

Second, the Respondent is not making a legitimate noncommercial or fair use of the disputed domain name. Rather, the Respondent is using the disputed domain name for a commercial purpose, as its website contains links and advertisements to third party websites that compete with Complainant.

Third, the Respondent's web site operates primarily to redirect Internet users looking for the Complainant's site to other websites, including competitive sites, and as such is not a legitimate use of the disputed domain name.

Fourth, the Respondent is not commonly known by the disputed domain name and could not be as the name infringes the Complainant's mark.

(iii) Registered and Used in Bad Faith

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

First, the Complainant's common law rights were "well established" in 2006 and had both become federally registered with the USPTO and "internationally recognized" by 2012. Any claim by the Respondent that it was not aware of Complainant's mark when it first registered the name is not credible, as the Respondent, who owns some 75,000 domain names, could not have registered a hyphenated domain name without checking to see if the non-hyphenated version was available. Accordingly, the Respondent's registration of the disputed domain name was made in bad faith. Further, even if the Complainant did not have common law rights as of the date the Respondent registered the disputed domain name and its rights did not predate those of the Respondent, nevertheless, the Respondent, knowing that the Complainant would likely use its mark in a domain name, "speculatively" registered the disputed domain name with the intent to cause the confusion of Internet users in order to divert web traffic from the Complainant's website to that of the Respondent and thus benefit the latter.

Second, the Respondent, through use of the name, disrupted Complainant's business by diverting Internet users away from the Complainant's website whenever any of those users mistakenly inserted a hyphen between "x" and "videos", and then profited whenever that user clicked on any of the links on the Respondent's site.

B. Respondent

(i) Identical or Confusingly Similar

Essentially, the Respondent argues that the term "xvideos", when used in conjunction with adult-oriented videos, is so descriptive as to be incapable of serving as a trademark. Thus, the Complainant has no rights to exclude any others from using the term in its purely descriptive sense. Specifically, "x" is a commonly understood identifier of pornographic materials and when coupled with the term "videos" for use with adult video related products clearly and unmistakably describes the nature and characteristic of such products.

The Complainant recognizes the descriptive nature of its registered mark XVIDEOS inasmuch as its US trademark registration is predicated on Lanham Act §2(f). This section permits registration of a descriptive mark predicated on its applicant having filed an affidavit/declaration attesting to five years of substantially exclusive and continuous use of the mark in commerce, and in connection with the goods or services for which registration of the mark is sought, prior to the date on which a claim of distinctiveness is made. Based on this prior use, the USPTO presumes that the mark has become distinctive when used in connection with those goods or services.

Here, the Complainant, as indicated on its US trademark registration, claimed that it first used its mark in interstate commerce on April 1, 2007. However, the Complainant stated on its § 2(f) declaration that its use of the mark commenced five years prior to the date, January 17, 2013, of that declaration, *i.e.* January 17, 2008. Thus, the Complainant's mark could not have become distinctive until five years later: January 17, 2013 – which is some six years after the Respondent acquired and started using the disputed domain name. Thus, any rights of exclusion did not exist on March 17, 2007 when the Respondent acquired the disputed domain name.

Consequently, in the absence of having any exclusive trademark rights, the Complainant has failed to meet its burden under paragraph 4(a)(i) of the Policy.

(ii) Rights or Legitimate Interests

The Respondent contends, contrary to the Complainant's view, that it does have rights or legitimate interests in the disputed domain name.

Specifically, the Respondent's rights in the disputed domain name are senior by at least several years to whatever trademark rights, if any owing to the inherently descriptive nature of the mark, the Complainant actually has in its mark XVIDEOS. By virtue of having seniority, the Respondent's use of the name, as an address of its website from the time it acquired the name on March 17, 2007 and continuing to the present, through which the Respondent provides adult-entertainment services consistent with the common well-understood meaning of the name, is legitimate. The Complainant has no basis to realistically object as its trademark rights, to the extent any exist, are junior to the Respondent's acquisition of the name and date it started using the name.

(iii) Registered and Used in Bad Faith

The Respondent argues that inasmuch as it has legitimate rights and interests in the disputed domain name by virtue of having senior rights in the name, then its registration and use of the name could not have been in bad faith.

Specifically, the Respondent acquired the name prior to the date (April 1, 2007) on which the Complainant claimed to be the date it first used its mark in interstate commerce and several years prior to the date (January 17, 2013) on which the Complainant, arguably, gained rights -- to whatever extent it has any -- in its federal registration by virtue of the mark having presumptively acquired distinctiveness. Thus, whatever rights the Complainant has in its mark are junior and hence subordinate to those of the Respondent. Further, as the Respondent continuously used the name <x-videos.com> since it acquired the name on March 17, 2007 and with the Complainant having been aware of such use, the claim made by the Complainant in its section 2(f) affidavit/declaration to having used its mark on a substantially exclusive and continuous basis for 5 years prior is misplaced.

Inasmuch as the March 17, 2007 date on which the Respondent acquired and commenced use of the name predates the Complainant's first use of its mark on April 1, 2007, the Respondent simply had no knowledge of the Complainant's mark at the time nor could it have gained any such knowledge as that mark simply did not commercially exist then.

Thus, the Claimant failed to carry its burden of proving bad faith registration and use.

C. Supplemental Submissions

As noted above, each party filed a supplemental submission with the Center. The Panel did not request either filing. UDRP Panels have wide discretion as to whether to accept an unsolicited supplemental filing from either party, bearing in mind the need for procedural efficiency, and the obligation to treat each party with equality and ensure that each party has a fair opportunity to present its case. The party submitting its filing would normally need to show its relevance to the case and why it was unable to provide the information in its supplemental filing in either the complaint or response. See paragraph 4.2 of WIPO Overview of WIPO Panel Views on Selected UDRP Questions, Second Edition ("WIPO Overview 2.0").¹ While the Panel considered these filings, the Panel found nothing of consequence in either filing.

6. Discussion and Findings

A. Identical or Confusingly Similar

The Panel finds that the disputed domain name is confusingly similar to the Complainant's XVIDEOS Marks.

From a simple comparison of the disputed domain name to the Complainant's mark XVIDEOS – a

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One Panel member would have denied leave to submit both supplemental filings for this reason.

comparison made as of the time the Complaint is filed, no doubt exists that the disputed domain name is confusingly similar to the Complainant's marks. The primary difference between the disputed domain name and the mark XVIDEOS is addition of a hyphen between the terms "x" and "videos" to form a corresponding composite term "x-videos" along with, secondarily, appending the generic top-level domain (gTLD) ".com" to that term to form the disputed domain name, with the last addition being irrelevant in assessing confusing similarity or identity under paragraph 4(a)(i) of the Policy and thus ignored.

It is now very well-established in UDRP precedent that a minor variation, such as adding a short letter or number group, a punctuation mark, such as a hyphen, or even generic or highly descriptive words, or geographic identifiers, such as a country name, to a mark, is usually insufficient in and of itself, when used in forming a domain name that results from modifying the mark, to confer requisite and sufficient distinctiveness to that name to avoid user confusion. Here, inserting a hyphen, in the manner which the Respondent specifically did, to the mark XVIDEOS clearly resulted in such a minor variation.

Therefore, the Panel finds that the disputed domain name is confusingly similar to the Complainant's XVIDEOS marks. Hence, the Complainant has satisfied its burden under paragraph 4(a)(i) of the Policy.

B. Rights or Legitimate Interests

The Panel finds that the Respondent has rights and legitimate interests in the disputed domain name.

The Respondent acquired and starting using the name on March 17, 2007 which is prior to the earliest date, April 1, 2007, which the Complainant claims to be the date it first started using its mark in interstate commerce in the US. Regardless of whether the Complainant's trademark exclusivity under its federal registration started on April 1, 2007 or, more likely, some five years later on the date (January 17, 2013) of its 2(f) declaration/affidavit, the fact is that the Respondent's registration and use of the disputed domain name predate any trademark registration of the Complainant. While the Complainant asserts common law trademark rights from an earlier date, it has furnished no evidence to support that claim. The Respondent selected a descriptive term for use in its descriptive sense prior to the Complainant's trademark rights, at least as those rights have been demonstrated in this proceeding. So far as the record reflects, that action was entirely legitimate.

Thus, under paragraph 4(a)(ii) of the Policy, the Complainant has not proven that the Respondent lacks rights or legitimate interests in the disputed domain name.

C. Registered and Used in Bad Faith

The Panel finds that the Respondent neither registered nor uses the disputed domain name in bad faith.

The Respondent not only acquired and started using the name before the Complainant commenced use of its mark but also continuously used the name, containing the formative "xvideos", in conjunction with the commonly understood meaning of that formative, *i.e.*, to designate adult-oriented video entertainment. The record is devoid of any evidence tending to show that the Respondent had any other purpose in mind when it acquired and started using the name but to use the name in that fashion.

Moreover, as noted above, the Respondent had no knowledge of the Complainant's trademark rights as those rights were simply non-existent on March 17, 2007 – the date on which the Respondent acquired and started using the name. See, WIPO Overview 2.0, paragraph 3.1 and decisions cited therein including *Meeza QSTP-LLC v. Torsten Frank / medisite Systemhaus GmbH*, WIPO Case No. D2009-0943.

Consequently, under the facts of record here, the Respondent's registration and use of the disputed domain name do not reflect bad faith.

Accordingly, the Complainant has failed to meet its burden under paragraph 4(a)(iii) of the Policy.

7. Decision

Accordingly, the Panel denies the relief sought by the Complainant.

Peter L. Michaelson
Presiding Panelist

M. Scott Donahey
Panelist

Richard G. Lyon
Panelist
Date: June 11, 2014