



## NATIONAL ARBITRATION FORUM

### DECISION

Jay S. Cohen d/b/a Elite Cruises v. Smoking Domains, LLC  
Claim Number: FA0803001155799

#### PARTIES

Complainant is **Jay S. Cohen** d/b/a **Elite Cruises** (“Complainant”), Pennsylvania, USA. Respondent is **Smoking Domains, LLC** (“Respondent”), represented by **Ari Goldberger**, New Jersey, USA.

#### REGISTRAR AND DISPUTED DOMAIN NAME

The domain name at issue is <**elitecruises.com**>, registered with **Godaddy.com, Inc.**

#### PANEL

The undersigned certifies that he or she has acted independently and impartially and to the best of his or her knowledge has no known conflict in serving as Panelist in this proceeding.

Joel M. Grossman, Houston Putnam Lowry (Chartered Arbitrator and chair) and David S. Safran as Panelist.

#### PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum electronically on March 3, 2008; the National Arbitration Forum received a hard copy of the Complaint on March 3, 2008.

On March 3, 2008, Godaddy.com, Inc. confirmed by e-mail to the National Arbitration Forum that the <**elitecruises.com**> domain name is registered with Godaddy.com, Inc. and that the Respondent is the current registrant of the name. Godaddy.com, Inc. has verified that Respondent is bound by the Godaddy.com, Inc. registration agreement and has thereby agreed to resolve domain-name disputes brought by third parties in accordance with ICANN’s Uniform Domain Name Dispute Resolution Policy (the “Policy”).

On March 14, 2008, a Notification of Complaint and Commencement of Administrative Proceeding (the “Commencement Notification”), setting a deadline of April 3, 2008 by which Respondent could file a Response to the Complaint, was transmitted to Respondent via e-mail, post and fax, to all entities and persons listed on Respondent’s registration as technical, administrative and billing contacts, and to postmaster@elitecruises.com by e-mail.

On March 19, 2008, Respondent submitted a request for an extension of the date by which it could file a timely Response, with Complainant's consent. The National Arbitration Forum subsequently granted Respondent's, request, extending the deadline by which a timely Response could be filed to April 11, 2008.

A timely Response was received and determined to be complete on April 11, 2008.

Complainant submitted a supplemental response on April 16, 2008. Respondent submitted a supplemental response on April 21, 2008. The Panelist thanks both parties for the obvious effort they have made in presenting their arguments and the facts of the case.

On April 23, 2008, pursuant to Respondent's request to have the dispute decided by a three-member Panel, the National Arbitration Forum appointed Joel M. Grossman, Houston Putnam Lowry (Chartered Arbitrator and chair) and David S. Safran as Panelist.

#### **RELIEF SOUGHT**

Complainant requests that the domain name be transferred from Respondent to Complainant.

#### **PARTIES' CONTENTIONS**

##### **A. Complainant**

This Complaint is based on the following factual and legal grounds:

- [a.] Trademark/Service Mark Information:  
Application for trademark U.S. Serial Number 78701838, "Elite Cruises", IC 039. US 100 105. G & S: Travel booking agencies, namely, making reservations and bookings for transportation, hotels, excursions, and cruises; providing travel booking services via the Internet and telephone; providing a web-site for use in reserving and booking transportation, excursions, hotels, and cruises. FIRST USE: 19990601. FIRST USE IN COMMERCE: 20000805
- [b.] Complainant claims common law rights to the name "Elite Cruises" based on the fact that the Complainant is registered to do business as "Elite Cruises" in the State of Illinois and the Commonwealth of Pennsylvania. (see below [5.] c.)
- [c.] Complainant has operated the retail business known as "Elite Cruises" since 1999. Complainant is registered to do business as "Elite Cruises" in the State of Illinois (filed in 2001) and in the Commonwealth of Pennsylvania (filed in 2003). Complainant has operated the retail business known as "Elite Cruises" via an Internet website with the URL <elite-cruises.net> since 1999. Complainant owns, operates, and maintains the following "Elite Cruises" related websites and domain names: ELITE-CRUISES.COM, ELITECRUISE.NET, ELITECRUISES.BIZ, ELITE-CRUISES.BIZ, ELITE-CRUISE.COM, ELITECRUISES.EU, ELITE-CRUISES.EU, ELITECRUISES.INFO, ELITE-

CRUISES.INFO, ELITECRUISES.MOBI, ELITE-CRUISES.NET,  
ELITECRUISES.ORG, and ELITE-CRUISES.ORG.

- [d.] Complainant holds and has held himself out since 1999 as d/b/a “Elite Cruises” and in the process thereof, devotes himself full-time to the endeavor. Complainant files federal and state income taxes based on doing business as “Elite Cruises.” Complainant invests substantial sums of money promoting and advertising the retail business and websites related to “Elite Cruises.”
- [e.] The domain name <**elitecruises.com**> is confusingly similar to the registered and common law “Elite Cruises” family of names cited above in which Complainant has rights, and is identical to the common law mark ELITE CRUISES which Complainant adopted in 1999.
- [f.] Respondent’s use of the Domain Name is in bad faith. Respondent has no legitimate interest in the Domain Name. Respondent is not commonly known by the Domain Name, nor has Respondent acquired trademark or service mark rights in the mark ELITE CRUISES.
- [g.] Respondent is not making a legitimate noncommercial or fair use of the Domain Name. Respondent does not trade as “Elite Cruises”. Respondent does not operate a website or retail business related to the name “Elite Cruises”.
- [h.] Respondent originally registered the Domain Name through *Domains By Proxy, Inc.*, a company that offers domain name registration services described as “private registration services,” namely, the ability to register a domain name while keeping the true owner’s name and address hidden from the general public. Respondent’s use of the proxy service evidences bad faith, as does Respondent’s failure to list contact information on its website.
- [g.] Respondents bad faith use of the domain <**elitecruises.com**> is further evidenced by the fact that Respondent used the Domain Name and intentionally attempted to attract for commercial gain, Internet users to Respondent’s website. Respondent created a likelihood of confusion with the Complainant’s marks as to the source, sponsorship, affiliation, or endorsement of Respondent’s website and the services offered at Respondent’s website or location or of a product or service on Respondent’s website or location.
- [h.] Respondent has registered or has acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the Complainant who is the owner of “Elite Cruises” or to a competitor of the Complainant, for valuable consideration in excess of Respondent’s out-of-pocket costs directly related to the domain name.

B. Respondent

**I. SUMMARY OF ARGUMENT**

This is a clear case of reverse domain name hijacking. There is absolutely no basis for transferring the disputed domain <elitecruises.com> (the “Disputed Domain”) to Complainant. At the outset, Complainant has no enforceable trademark rights. Complainant does not have a registered trademark for ELITE CRUISES. While it states that it has a pending trademark application for this term, Complainant failed to reveal that the trademark was refused registration because it was deemed likely to be confused with another registered mark. Nor has Complainant revealed that it is presently appealing the refusal before the United States Patent and Trademark Office (“USPTO”) Trademark Trial and Appeal Board (“TTAB”). By leaving out this very material information, Complainant has violated its certification that the information contained in the Complaint was complete and accurate. Moreover, Complainant failed to disclose that it attempted to purchase the Disputed Domain two years ago from Respondent for \$100, representing in an email to Respondent dated March 21, 2006 that it was “in the process of wrapping up our IP rights,” notwithstanding a USPTO Office Action issued one week earlier refusing to register the mark. This refused trademark application has no relevance to this proceeding – except that it demonstrates Complainant’s lack of trademark rights and that it reveals Complainant’s opinion, in its response to the Office Action, that trademarks incorporating the common laudatory term “elite” are “weak and only entitled to a limited scope of protection.” Complainant has not demonstrated that it has common law trademark rights to ELITE CRUISES. It has provided no evidence of “secondary meaning” of the descriptive term “elite cruises,” demonstrating that consumers associate it exclusively, or almost exclusively, with Complainant.

Respondent has a legitimate interest in the Domain because “elite cruises” is a common descriptive term that anyone is entitled to register. The descriptive nature of the term is underscored by Complainant’s own statement that any mark containing the laudatory word “elite” is necessarily weak. Respondent has used the Domain in connection with the *bona fide* offering of services in connection with its use of the Domain to display pay-per-click advertisements related to the descriptive nature of the term, a clear basis for finding legitimate interest under the Policy.

Respondent has not engaged in bad faith registration or use. Respondent never heard of Complainant or its trademark when it registered the Domain on October 18, 2002. Complainant did not even file a trademark application until August 26, 2005 – three years later, so Respondent was not on constructive notice of the mark, nor could it have learned of this mark. The fact that Respondent registered the Domain solely based on its descriptive nature (and not because of Complainant’s trademark) is corroborated by the hundreds of other descriptive domain names Respondent has registered which incorporate descriptive words, such as <messagehere.com>, <mapdrive.com>, <musicup.com>, <savebuy.com>, <joblocation.com>, <newsdetails.com>, etc. Finally, Complainant’s is incorrect that Respondent’s use of Domains by Proxy to keep its registration information private is an indication of bad faith. To the contrary, it is recognized under the Policy that this has no relevance where there is no evidence that a respondent is attempted to

evade UDRP proceedings. Here, Complainant has had no difficulty contacting Respondent. In fact, Complainant emailed Respondent inquiring to purchase the Domain in 2006, and Respondent replied.

There simply is no evidence of bad faith registration or use of any kind.

The Panel should not hesitate to dispose of this ill-conceived Complaint and issue a decision finding that Complainant has abused these proceedings and has engaged in Reverse Domain Name Hijacking.

## II. FACTS

The Domain solely incorporates the common term “elite cruises,” a merely descriptive term used by Complainant in a descriptive manner for its web site that promotes the sale of cruises. “Elite” is a laudatory term meaning “the best of anything considered collectively.” A cruise is a “sea voyage for pleasure.” Further proof of the weakness of the term is evidenced by third party use of the term. A Google search for “elite cruises,” excluding <elite-cruises.net> to avoid references to Complainant, yielded numerous third-party results. Among the third party results are the following:

- <Elitecruise.com.au>
- “Elite Cruises” at EliteTravelCruises.com
- Capital Elite Cruises
- Cunard Elite Cruises

There is also another third party web site operated at <elitecruises.net>. The word “elite” is incorporated in 1,119 active and pending third party U.S. registered trademarks. The word “cruises” is incorporated in 585 such marks.

Respondent registered the Disputed Domain Name because it was a descriptive term to which it believed no party could claim exclusive rights. The Disputed Domain Name solely incorporates the descriptive term “elite cruises,” which describes the best cruises. Complainant uses the mark in a wholly descriptive manner for its web site which markets cruises. As with all of its domain names, Respondent registered the Domain, using Domains by Proxy in order to protect the company’s privacy and avoid spam.

Respondent did not register the Domain with Complainant’s trademark in mind and had no knowledge of Complainant, its web site, its business name or trademark when it registered the domain name. Respondent is not engaged in the travel business but, rather, is in the business of registering descriptive term domain names for profit though use in commerce and resale. When Respondent registered the Disputed Domain in October 2002, it conducted a trademark search on the USPTO web site and found no trademark. At the time, Complainant had no registered trademark. Complainant did not file a trademark application for ELITE CRUISES (Ser. No. 78/701838) until August 26, 2005 – 3 years later. On March 14, 2006 the USPTO issued an Office Action refusing to register the mark based on Trademark Act Section 2(d) based on likelihood of confusion

with other registered marks. One week later, on March 21, 2006, Complainant emailed Respondent attempting to pressure it into selling the Domain for \$100, stating that it was in the “process of wrapping up our IP rights.” That statement, in the face of refusal to register its mark one week earlier, is wishful thinking at best, and disingenuous at worst. Respondent replied that the Disputed Domain Name could be purchased for \$3,250. The truth is that to this day, Complainant has not wrapped up a registered trademark for ELITE CRUISES. In fact, on January 11, 2008, the USPTO issued an Office Action making a final refusal to register the mark. Respondent has filed an *ex parte* appeal of the refusal with the TTAB. It is without doubt that the mark ELITE CRUISES is descriptive and weak. Complainant itself, in response to the first Office Action refusing registration of its mark admitted this. In arguing against the USPTO Examiner’s conclusion that ELITE CRUISES was likely to be confused with ELITE YACHT CHARTERS, Complainant stated:

the term ELITE is commonly used in connection with a wide variety of goods and services that the cited mark is weak and entitled to only a limited scope of protection.

Obviously, the generic term “cruises” does not make the mark any stronger.

Respondent did not register the Domain with the intent to sell to Complainant, to disrupt Complainant’s business, or to confuse consumers seeking to find Complainant’s web site. Respondent did not register the Domain to prevent Complainant from owning a domain name incorporating its trademark. Strong corroboration of the fact that Respondent registered the Domain because of its descriptive nature, rather than targeting Complainant’s purported mark, is that Respondent has registered approximately 2,000 other domain names – all descriptive in nature, none because they contained a trademark. Examples are: <messagehere.com>, <mapdrive.com>, <musicup.com>, <savebuy.com>, <joblocation.com>, and <newsdetails.com>. A larger list of 200 such names similar domain names is included and was randomly selected, and Respondent is happy to provide the Panel with a complete list upon request.

Respondent uses the Domain to display sponsored search results provided by ActiveAudience.com. Respondent receives a share of the revenue earned by ActiveAudience.com from the pay-per-click ads. The web site, as the Domain suggests, is focused on cruises, and displays cruise-related pictures. The ads are what users would expect at such a site: cruise packages; cruise reviews; cruise tips; caribbean cruise, etc.

### **III. BASES FOR RESPONDENT TO RETAIN REGISTRATION AND USE OF DISPUTED NAME**

#### **A. The Domain Name is Not Identical or Confusingly Similar to a Mark in Which Complainant Has Rights.**

##### **1. Complainant's Trademark is Unenforceable Because it is Generic or, at Best, Descriptive**

First of all, Complainant has no registered trademark at all. It has merely applied for one that has been issued a final denial. While the USPTO did not deem the mark descriptive, it had no opportunity to since Complainant's application failed the initial test of likelihood of confusion. Had the mark passed that threshold, however, the examiner no doubt would have rejected the mark on descriptiveness grounds and, at the very least, required an express disclaimer as to "cruises." Nevertheless, a Panel is free to conclude that a trademark is generic or descriptive for purposes of the UDRP, and deem it unenforceable under the Policy, even where a complainant has secured a registered trademark. *See e.g. Goldberg & Osborne v. Advisory Board Forum, Inc.*, D2001-0711 (WIPO Oct. 4, 2001) ("Serious question as to whether the [registered] mark [the personal injury lawyers] is enforceable" under the Policy)<sup>i</sup> *Am. Airlines, Inc. v. WebWide Internet Commc'n GmbH*, FA 112518 (Nat. Arb. Forum June 13, 2002) (U.S. registered "mark is both generic and geographically descriptive, and the Respondent has appropriately raised that argument to rebut the registration").<sup>ii</sup>

Here, there is no trademark and what is purported to be one is clearly descriptive. It is obvious that "elite cruises" is a descriptive term. Complainant sells "cruises" on its web site so there can be no doubt that the use is at least descriptive, and arguably generic. A mark is considered descriptive if the mark is descriptive of any product sold there. As explained in McCarthy on Trademarks:

A term can be descriptive of retail sales services if it is the generic name of a product sold at that outlet. For example, a mark for restaurant services which comprises the generic name of a food that is the specialty of the house can be merely descriptive of restaurant services, be it in English or in a foreign language. LE CROISSANT SHOP was held descriptive of restaurant services, since prospective customers would immediately know that croissants could be purchased. Similarly, the word PENCILS was held to be descriptive of "retail stationery and office supply services" because it describes an item that is sold in stationery and office supply stores even though it is not the main item sold in such stores.

McCarthy on Trademarks and Unfair Competition § 11.16 (4<sup>th</sup> ed.). "Elite" is a self-laudatory term, which is a term "descriptive of the alleged merit of a product." *Id.* at § 11.17. Complainant itself has admitted to the weakness of the term "elite," noting that it "is commonly used in connection with a wide variety of goods and services," and that the trademark containing the term [ELITE YACHT CHARTERS] was, therefore, weak and

entitled to only a limited scope of protection. The same should be said here and the Panel should, thus, not award Complainant the right to enforce its weak descriptive non-trademark in these proceedings.

Accordingly, the Panel should deem Complainant's mark unenforceable and deny the Complaint.

## **2. Complainant has not Established Common Law Trademark Rights To ELITE CRUISES**

Complainant has not established that it has common law trademark rights to the term "elite cruises," or that it had such rights in existence at the time Respondent registered the Domain. Complainant has presented no evidence of common law trademark rights, merely making a self-serving statement that it has "held itself out" under the name since 1999, "devotes himself full-time to the endeavor;" "files federal and state income taxes" under the name, and has invested "substantial sums of money" promoting its business. Even if true, none of these facts support a finding of common law trademark rights. The fact that it is registered to do business under this name in Pennsylvania and Illinois is also of no moment. Use of a term in a tradename is not proof "that it was used as a trademark." *Business Architecture Group, Inc. v. Reflex Publ'g, Inc.*, FA 97051 (Nat. Arb. Forum June 5, 2001).<sup>iii</sup> Nor do Complainant's other descriptive domain names come to its aid. They are not trademarks. A domain name standing alone is "nothing more than an address at which complainant [can] be contacted." *McCune v. BuyDomains.com*, AF-0854 (eResolution June 14, 2001).

"Elite cruises" is a descriptive term meaning the very best cruises. There is also substantial third party use of the term. As noted above, an advanced Google search for "elite cruises," designed to avoid references to Complainant, yielded over 800 third party uses of the term. To establish common law trademark rights to a descriptive or generic term such as this one, Complainant must present evidence of secondary meaning." *Amsec Enters. v. McCall*, D2001-0083 (WIPO Apr. 3, 2001);<sup>iv</sup> *Bus. Architecture Group, Inc. v. Reflex Publ'g, Inc.*, FA 97051 (Nat. Arb. Forum June 5, 2001).<sup>v</sup> To prove secondary meaning, Complainant must provide evidence that consumers identify the term "elite cruises" exclusively, or almost exclusively, with its products. *See Advanced Relational Technology, Inc. v. Domain Deluxe*, D2003-0567 (WIPO Oct. 13, 2003) ("Complainant has not shown that the public has come to identify its software as the only, one or even one of the few for" the mark).<sup>vi</sup>

In the WIPO Overview of WIPO Panel Views on Selected UDRP Questions, the consensus view of the requisite evidence to establish common law trademark rights is as follows:

The complainant must show that the name has become a distinctive identifier associated with the complainant or its goods or services. Relevant evidence of such 'secondary meaning' includes length and amount of sales under the mark, the nature and extent of advertising, consumer surveys and media recognition.

Cited in *Prime Connections, LLC v. Covanta Corp.*, FA 817103 (Nat. Arb. Forum Dec. 18, 2006).<sup>vii</sup>

Here, it is impossible for Complainant to meet this burden of proof because of substantial third party use of the term "elite cruises." Obviously, consumers do not associate Complainant exclusively with the descriptive term "elite cruises" and, thus, Complainant has not established that it has common law trademark rights to the term "elite cruises," or that it had such rights prior to Respondent's registration of the Domain. Accordingly, the Complaint must be denied.

#### **B. Respondent Has Rights And A Legitimate Interest In The Domain Name**

The registration of domain names, like elitecruises.com, that contain common descriptive terms subject to third party use *ipso facto* establishes the Respondent's legitimate interest. *Energy Source Inc. v. Your Energy Source*, FA 96364 (Nat. Arb. Forum Feb. 19, 2001)("[r]espondent has persuasively shown that the domain name is comprised of generic and/or common descriptive terms, and, in any event, is not exclusively associated with [c]omplainant's business"); *Car Toys, Inc. v. Informa Unlimited, Inc.* FA 93682 (Nat. Arb. Forum Mar. 20, 2000) (Respondent "has demonstrated that the name is in use elsewhere")<sup>viii</sup>; *Canadrugs.com et al. v. ASM Bioventure*, FA 568743 (Nat. Arb. Forum Nov. 29, 2005) (large number of competing businesses using variation of terms);<sup>ix</sup> *Moran et al. v. Boating Info. Burea Ltd.*, FA 102179 (Nat. Arb. Forum Jan. 14, 2002) (extensive third party use evidenced by Google search).<sup>x</sup> There can be no doubt that Complainant's mark is descriptive because Complainant is in the business of marketing cruises. Elite is a commonly used self-laudatory term. The word "elite" is incorporated in over 1,100 trademarks and "cruises" in over 580. Complainant itself strenuously argued any mark containing the common term "elite" was "weak and entitled to only a limited scope of protection," in its failed attempt to rescue its application from a final refusal. The same should be said of Complainant's alleged mark here and not permit Complainant to monopolize this descriptive term.

It is also inappropriate as a matter of public policy to give Complainant a monopoly on a descriptive term. As the Panel explained in *EAuto, LLC v. EAuto Parts*, D2000-0096 (Nat. Arb. Forum April 9, 2000),<sup>xi</sup> it is:

"because this domain name eautoparts.com is descriptive of a business that offers, through the Internet, information about or sales of automobile parts, and it is inappropriate to give Complainant a wide monopoly over all domain names, even descriptive ones, that incorporate the mark EAUTO. Thus, if an automotive-based business were to adopt this name for the purpose of describing an element of its business, and not for the nefarious

purpose of causing confusion or diversion of business, then that would constitute a legitimate use.”

Respondent’s legitimate interest is bolstered by the fact that it uses the Disputed Domain Name to post advertising links, which relate to cruises. The related links include: cruise packages; cruise reviews; cruise tips; caribbean cruise, etc. As was held in the 3-member panel decision in *HP Hood LLC v. Hood.com*, FA 313566 (Nat. Arb. Forum Oct. 20, 2004),<sup>xii</sup> “[w]here the domain name incorporates a common word, it is beyond debate that the posting of related advertising links constitute use of the domain name for the bona fide offering of goods and services.” Similarly, in *Williams, Babbitt & Weisman, Inc. v. Ultimate Search*, FA 98813 (Nat. Arb. Forum Oct. 8, 2001),<sup>xiii</sup> the Respondent had registered numerous generic and common words to generate advertising revenue. In finding a legitimate interest, the panel noted that “[n]either the current UDRP nor current ICAAN registrar contracts preclude this type of domain name use.” See also *Accetta v. Domain Admin et al.*, FA 826565 (Nat. Arb. Forum Jan. 2, 2007).<sup>xiv</sup> (use of “domain name to operate a pay-per-click search engine is a *bona fide* offering of goods or services pursuant to Policy ¶4(c)(i)”; see also *Dial-a-Mattress Operating Corp. v. Ultimate Search*, D2001-0764 (WIPO Sept. 26, 2001);<sup>xv</sup> see also *Etam, plc v. Alberta Hot Rods*, D2000-1654 (WIPO Jan. 31, 2001);<sup>xvi</sup> see also *GLB Servicos Interativos S.A. v. Ultimate Search*, D2002-0189 (WIPO May 29, 2002);<sup>xvii</sup> see also *Landmark Group v. Digimedia L.P.*, FA 285459 (Nat. Arb. Forum Aug. 6, 2004);<sup>xviii</sup> see also *Target Brands, Inc. v. Eastwind Group*, *supra.*; see also *Sweeps Vacuum & Repair Center, Inc. v. Nett Corp.*, D2001-0031 (WIPO Apr. 13, 2001).<sup>xix</sup>

Accordingly, Respondent has demonstrated that it has rights and a legitimate interest in the Disputed Domain Name and the Complaint must, therefore, be dismissed.

**C. Complainant Has Not Demonstrated That The Domain Name Was Registered and Is Being Used In Bad Faith**

There is absolutely no evidence that Respondent has engaged in any bad faith registration or use. Complainant has presented no evidence of how Respondent would have learned of its alleged trademark when it registered the Disputed Domain in October 2002. Complainant did not even file for its ill-fated trademark until August 2005 – almost three years later. Respondent conducted a trademark search when it registered the Disputed Domain and found none, and felt it could thus register the Domain without risk of trademark claims. As noted above, Complainant has not presented evidence of common law trademark rights or widespread notoriety, so there’s no reason to infer Respondent would have heard of the alleged mark.

Respondent registered <elitecruises.com> because it incorporates a descriptive term – like the hundreds of other descriptive term domains it has registered, such as: <messagehere.com>, <mapdrive.com>, <musicup.com>, <savebuy.com>, <joblocation.com>, and <newsdetails.com>. This pattern of registration corroborates the fact that Complainant’s mark had nothing to do with the registration of the Domain. Respondent’s record under the UDRP supports a conclusion that it is not a cybersquatter.

Respondent's counsel is cognizant of the fact that he has argued in several proceedings that other UDRP decisions are not relevant to the case under review. In this case, however; it is important to note that, although, Respondent is the registrant of some 2,000 domain names, this is only the second Complaint filed against it under the UDRP, and it prevailed in the only other case, which was brought over 5 years ago. *Broadcom Corp. v. Smoking Domains et al.*, FA 137037 (Nat. Arb. Forum Feb. 11, 2003). Were Respondent in the business of grabbing trademark domains surely there would have been other UDRP complaints in the past 5 or 6 years.

Complainant argues that Respondent has engaged in bad faith by offering to sell the Disputed Domain. Complainant is wrong. First of all, it is well-established that the sale of domain names constitutes a *bona fide* offering of goods and services where the respondent is unaware of a party's trademark rights. *Micron Tech., Inc. v. Null Int'l Research Ctr.*, D2001-0608 (WIPO June 20, 2001).<sup>xx</sup> As the Panel discussed in *Micron*:

Complainant alleges that Respondent intends to profit from registering the domain name. Respondent replies that its sale of domain names is a bona fide business practice in domain name speculation.

The Panel agrees with the Respondent that domain name speculation can be a legitimate interest if the Respondent was not aware of Complainant's trademark rights. . . . Here, Complainant has proffered no evidence that Respondent likely was aware of its trademark rights at the time it registered the domain name or otherwise was targeting Complainant or its mark.

*See also Audiopoint, Inc. v. eCorp*, D2001-0509 (WIPO June 14, 2001) ("Indeed, speculation in domain names without any intent to profit from others' trademark rights may itself constitute a bona fide activity under paragraph 4(c)(i)"); *Kis v. Anything.com Ltd.*, D2000-0770 (WIPO Nov. 20, 2000);<sup>xxi</sup> *Allocation Network GmbH v. Steve Gregory*, D2000-0016 (WIPO March 24, 2000);<sup>xxii</sup> *Gen. Machine Prods. Co. v. Prime Domains*, FA 92531 (Nat. Arb. Forum Jan. 26, 2000) (CRAFTWORK.COM).<sup>xxiii</sup> Second, it is entirely legitimate, and not in bad faith, for an owner of a domain name to provide a price it which it would sell its domain when asked. Here, Complainant offered the paltry sum of \$100. Respondent replied with a counter-offer of \$3,250. As the Panel held in *Pocatello Idaho Auditorium District v. CES Mktg. Group, Inc.*, FA 103186 (Nat. Arb. Forum Feb. 21, 2002)<sup>xxiv</sup>:

There are numerous ICANN decisions which have recognized that the owner of a domain name has a legal right to sell a domain name when asked if he or she will transfer or sell it. Panels have noted that there is nothing inherently wrongful in the offer or sale of domain names, without more, such as to justify a finding of bad faith under the Policy.

*See also Gen. Machine Prods. Co. v. Prime Domains, supra.*<sup>xxv</sup>; *Piper.com The New Piper Aircraft, Inc. v. Piper.com*, FA 94367 (Nat. Arb. Forum May 2, 2000).<sup>xxvi</sup>

Finally, Complainant argues that Respondent's use of Domains by Proxy Whois privacy service is evidence of bad faith. It is not. *Shouldoc Ltd. v. Vertical Axis*, D2006-0625 (WIPO Sept. 8, 2006) ("The Panel does not regard the use of a privacy service as evidence in itself of bad faith.");<sup>xxvii</sup> *Jet Marques v. Vertical Axis, Inc.*, D2006-0250 (WIPO May 26, 2006) ("use of the identity shield [did not] prevent the Complainant from commencing this proceeding against the correct registrant.");<sup>xxviii</sup> Complainant here has had no trouble communicating with Respondent, having exchanged emails in 2006. Nor did Complainant have trouble commencing these proceedings against Respondent. Respondent has all of its approximately 2,000 domain names registered under Domains by Proxy in order to protect its online privacy and to avoid spam. This does not indicate bad faith in any way.

Accordingly, for all the above reasons, Complainant has failed to meet its burden of proving bad faith registration and use and, the Complaint must, therefore, be dismissed.

#### **D. Complainant has Engaged in Reverse Domain Name Hijacking**

A finding of Reverse Domain Name Hijacking is warranted where "the Complainant knew or should have known at the time it filed the Complaint that it could not prove that the domain name was registered in bad faith." *Futureworld Consultancy Pty Ltd. v. Online Advice*, D2003-0297 (WIPO July 18, 2003).<sup>xxix</sup> Here, there is no evidence whatsoever that Respondent knew, or should have known, about Complainant's trademark. No trademark application was filed as of October 2002 when the Domain was registered, and Complainant has provided no hint of how Respondent might have had knowledge of its mark. Moreover, Complainant sent a letter creating the impression that it was imminently going to be attaining some sort of legal "IP rights," when the truth is the USPTO told him a week earlier it was refusing registration of its proposed mark. The fact that Complainant truly did not believe it had a strong case here is that it waited two years after it sent its "IP rights" email to Respondent to bring this Complaint. This is evidence that Complainant "did not seriously believe" that Respondent had violated the Policy. *Rolling Stone LLC v. Robbins Carnegie Inc.*, FA 318048 (Nat. Arb. Forum Oct. 14, 2004).<sup>xxx</sup> This proceeding was initiated simply because Complainant wants the Domain and it figured it would take a crack with the UDRP, despite the fact that the USPTO was not inclined to award it a trademark. Such abusive use of the Policy is impermissible and should be admonished by this Panel.

#### **C. Complainant's Additional Submission**

##### **I. SUMMARY OF ARGUMENT**

The Complainant has common law trademark rights in the trade name "Elite Cruises". The Complainant has a Federal Trademark application for the term "Elite Cruises" pending in the USPTO. Complainant agrees with Respondent that the status of Complainant's ongoing trademark application has no relevance to this proceeding. Respondent is a sophisticated, serial domain registrant who registered and used the

domain <elitecruises.com> in bad faith. There is no basis for Respondent's claim that Complainant engaged in reverse domain name hijacking.

## II. FACTS

Complainant has Common Law Trademark rights in the trade name "Elite Cruises." Complainant established said rights during the years 1999-2001, when Complainant first used the name "Elite Cruises" in interstate trade, as a domain name, and filed a fictitious name registration in the State of Illinois. Complainant also filed a fictitious name in the Commonwealth of Pennsylvania in 2003. Complainant filed an application to register a trademark for "Elite Cruises" with the USPTO in 2005. Irrelevant to this proceeding is Respondent's statement that Complainant waited three years after Respondent registered the Domain Name to file a U.S. Trademark Application. Complainant's decision when to file a Federal Trademark Application to register "Elite Cruises" also is irrelevant to this proceeding and was strictly a business/financial decision. Complainant's travel along the USPTO trademark registration road has been bumpy and the USPTO Examining Attorney's (not the USPTO's) final refusal to register the mark is being appealed. The Panel is well aware of the trademark registration process, the difficulties that arise during the application process, and that efforts to register a trademark are rarely uncomplicated or without problems. Respondent's Counsel admits (just before launching into a tedious, multi-page, almost verbatim recapitulation of the USPTO Examining Attorney's misplaced analysis) Complainant's trademark application "has no relevance to this proceeding." Complainant is confident he will ultimately prevail in his efforts to obtain a trademark for "Elite Cruises."

The Respondent acted in bad faith when she registered the Disputed Domain Name, attempted to conceal the name and address of the Disputed Domain Name's true owner, failed to list contact information on the Disputed Domain Name's website, and offered to sell the Disputed Domain Name for valuable consideration far in excess of Respondent's out-of-pocket costs directly related to the Disputed Domain Name.

Respondent's contention that Complainant has engaged in reverse domain hijacking is patently bizarre, without grounds, and is akin to blaming a rape victim for causing the rape.

## III. BASIS FOR RESPONDENT TO TRANSFER REGISTRATION AND USE OF DISPUTED NAME

### A. Complainant Has Common Law Trademark Rights in "Elite Cruises"

Complainant has Common Law Trademark rights in the trade name "Elite Cruises". Complainant established said rights during the years 1999-2001, when Complainant first used the name "Elite Cruises" in interstate trade, as a domain name, and filed a fictitious name registration in the State of Illinois. Complainant also filed a fictitious name in the Commonwealth of Pennsylvania in 2003. Complainant's domain <elite-cruises.net> was registered on August 5, 2000.

To register the domain <elitecruises.com>, Respondent represented and agreed (in accordance with the Uniform Domain Name Dispute Resolution Policy, 2 :

“... (b) to your knowledge, the registration of the domain name will not infringe upon or otherwise violate the rights of any third party; (c) you are not registering the domain name for an unlawful purpose; and (d) you will not knowingly use the domain name in violation of any applicable laws or regulations. It is your responsibility to determine whether your domain name registration infringes or violates someone else's rights.”

In light of the fact Complainant's Illinois business and website had been operating and were readily visible and accessible for nearly two years, Respondent had notice she was infringing and violating Complainant's rights in the trade name “Elite Cruises.”

According to Respondent, she “never heard of Complainant or his trademark when it registered the Domain on October 18, 2002.” Respondent also contends she “had no knowledge of Complainant, its web site, its business name or trademark when it registered the domain name.” Complainant is flattered and stands in awe of Respondent's remarkable powers of recollection regarding Complainant's particular situation especially in light of the fact Respondent has registered thousands of domain names. Despite the fact that Respondent avers she performed a U.S. Trademark search, Respondent had a duty to perform a trademark search beyond a standard trademark search (which includes a nationwide fictitious name database search). *See Kate Spade, LLC v. Darmstadter Designs*, 9 ILR (P&F) 3079 (WIPO Jan. 3, 2002) and *Eurotech, Inc. v. Cosmos European Travels Aktiengesellschaft*, 189 F. Supp.2d 385 (E.D. Va. 2002), *see also* “See No Evil, Hear No Evil: No Trademark Search? No Defense.,” co-authored by Julia Anne Matheson, *Domain Names Quarterly*, Summer 2002 Copyright © Finnegan, Henderson, Farabow, Garrett & Dunner, LLP). According to Respondent's Counsel (quoting *McCune v. BuyDomains.com*, No. AF0854 (eResolution July 2001)) “a domain name does indicate an address at which complainant [can] be contacted”. Complainant's website was operating, his contact information was readily available, his fictitious name was registered and searchable, but no effort was made by Respondent to contact Complainant prior to registering the Domain. Indeed, it is disingenuous for a sophisticated domain name peddler like Respondent who, according to its Counsel, “is not engaged in the travel business but, rather, is in the business of registering descriptive term domain names for profit though [sic] use in commerce and resale” and “. . . has registered approximately 2,000 other domain names . . .” to claim she was unaware that either a business or a website named “Elite Cruises” existed.

A registered U.S. Trademark is not necessary to establish common law rights in a trade name. Complainant certifies in his Complaint and hereby recertifies he has held himself out since 1999 as d/b/a “Elite Cruises” and in the process thereof deactivated his law license to devote himself full-time to the endeavor. Complainant maintains a bank account in the name of “Elite Cruises” and files federal and state income taxes based on doing business as “Elite Cruises”. Complainant invests substantial sums of money

advertising and promoting the retail business “Elite Cruises” and related websites in print, on the Internet, and on radio. *See Jupiter Chevrolet LP v. Total Net Solutions*, FA 1142632 citing *SeekAmerica Networks Inc. v. Masood*, D2000-0131 (WIPO Apr. 13, 2000) (finding the Rules do not require complainant's trademark or service mark to be registered by a government authority or agency for such rights to exist); and *Great Plains Metromall, LLC v. Creach*, FA 97044 (Nat. Arb. Forum May 18, 2001) (finding “[t]he Policy does not require that a trademark be registered by a governmental authority for such rights to exist.”).

Finally, Respondent’s Response offers a site with the domain name <elitecruises.net> as evidence of the generic nature of the term “Elite Cruises”. Complainant avers that Cruise Planners, Inc. is also violating ICANN Policies by infringing Complainant’s rights in the name “Elite Cruises”. The <elitecruises.net> site is a domain name owned by Cruise Planners, Inc. which until recently clearly stated on the website they were, in fact, Cruise Planners, Inc. The Complainant believes Cruise Planners, Inc. stopped disclosing the true identity on the site to piggyback onto Complainant’s extensive advertising campaigns and growing web presence. Indeed, Cruise Planners, Inc. neither posts a disclaimer stating the website is not affiliated with “Elite Cruises,” nor posts a statement showing their true ownership and contact information. In further support of Complainant’s position, please note that nowhere on Respondent’s cited <elitecruises.net> webpage are any words characterizing any of their proffered cruises as luxurious, or as having an “Elite” status, or as being otherwise exceptional.

**B. Respondent Has No Rights or Legitimate Interest in The Domain Name <elitecruises.com> And Has Used The Domain Name in Bad Faith**

In the words of Respondent’s Counsel, “Respondent is not engaged in the travel business, but rather, is in the business of registering descriptive term domain names for profit though [sic] use in commerce and resale.” Respondent’s and Complainant’s businesses can summarized as follows: Respondent=Domain Name Purveyor; Complainant=Travel Business Operator.

Respondent is a person with extensive domain name reselling business experience. She has registered and sold thousands of domain names. Respondent’s declarant, Michelle Lehman, has the dubious distinction of being named a major non-conforming .biz TLD registrant in a Harvard Law School Study entitled: “The Top Level Domain Evaluation Project,” by Jonathan Zittrain and Benjamin Edelman, Berkman Center for Internet & Society Harvard Law School, (last updated October 6, 2003), online at: <http://cyber.law.harvard.edu/tlds/>, last visited April 15, 2008.

In the interest of brevity, a small portion of the findings of the .biz TLD study are quoted below:

The .BIZ TLD has as its primary registration restriction certain constraints on the warehousing and reselling of domain names. In particular, .BIZ Registration Restrictions define .BIZ to be used only for "bona fide

business or commercial purposes" and define such purposes to exclude "selling, trading or leasing the domain name for compensation" and "the unsolicited offering to sell, trade or lease the domain name for compensation." Each registrant must affirm eligibility under these limits at the time of domain registration, and, as we discuss in Conclusions, a dispute resolution procedure may be invoked, at some expense, to challenge a registrant's usage of a given domain.

Using automated methods, we identified certain .BIZ restrictions that do not appear to conform to .BIZ registration restrictions. In particular, we identified a total of 4,886 distinct .BIZ domains that listed offers for sale of one or more registered .BIZ domains. We list apparently non-conforming domains alphabetically by domain name, by registrant, and by registrar.

Listings are sorted in descending order by number of domains registered to each registrant. Domains may be flagged for inclusion on the basis of an offer of sale either on default web pages or in WHOIS.

See "Survey of Usage of the .BIZ TLD," by Jonathan Zittrain and Benjamin Edelman, Berkman Center for Internet & Society Harvard Law School, last updated October 6, 2003, online at: <http://cyber.law.harvard.edu/tlds/001/>, last visited April 15, 2008.

Michelle Lehman	-DOMAIN-NAME- FOR-SALE-	15	xxxxxxxxxx@home.com	Bulkregister.Com, Inc.
bossaround.biz, bosswise.biz, circledot.biz, handlebiz.biz, handlebusiness.biz, mainly.biz, mainlybiz.biz, mainlybusiness.biz, majorprovider.biz, majorproviders.biz, putonashow.biz, robodot.biz, robodrop.biz, totallybiz.biz, wiseboss.biz				

See <http://cyber.law.harvard.edu/tlds/001/biz-nonconforming-registrant-1.html>, last visited April 15, 2008.

In 2002, after registering <elitecruises.com>, Respondent promptly offered <elitecruises.com> for sale with an opening offer of \$500. She made her contact information available (at that time Complainant had no trouble contacting her, as Respondent's Counsel points out) and solicited (as she does to date) offers for the Domain Name. Her publicly available contact information remained posted through most of the year 2006 until her fear of spam arose. Respondent's Counsel mentioned Complainant's "paltry" offer to Respondent of \$100 for the Domain Name and attached one email out of a chain of email correspondences to support the \$100 offer. Respondent fails to mention that when Complainant's "offer" was made, 1) Respondent's contact information was clearly posted and available to readily induce offers, and 2) Complainant's \$100 "offer" was actually a COUNTEROFFER in response to Respondent's offer to sell the Domain Name for \$500. Respondent's COUNTEROFFER to sell the Domain Name for \$3250 ended negotiations.

Respondent's offer to sell <elitecruises.com> for \$500 in the year 2006 is evidence Respondent had registered or acquired the Domain Name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the Complainant who owns "Elite Cruises" or to one of the Complainant's competitors for valuable consideration in excess of Respondent's out-of-pocket costs directly related to the Domain Name. The initial offer sum of \$500 shows Respondent's bad faith . . . does the sum of \$3250 constitute ULTRA bad faith or eternally springing hope? Every business owner is entitled to a profit, but not at the expense of another's intellectual property rights.

Respondent has no legitimate interest in <elitecruises.com>. Respondent is not commonly known by "Elite Cruises," has no registered or acquired Federal trademark or service mark, interest in "Elite Cruises," and lacks even common law trademark rights in "Elite Cruises." On one hand Respondent states she is not in the travel business, on the other hand she states she is in the travel business via her <elitecruises.com> website which posts "advertising links, which relate to cruises." According to Respondent's Counsel: "Respondent receives a share of the revenue earned by ActiveAudience.com from the pay-per-click ads. The web site, as the Domain suggests, is focused on cruises, and displays cruise-related pictures." (Noticeably absent is a link to any URL owned by the Complainant, or a disclaimer stating the website is not affiliated with "Elite Cruises.")

The existence and activity of Respondent's <elitecruises.com> website is further evidence of bad faith insofar as Respondent uses the Domain Name to intentionally attempt to attract internet users to Respondent's website for commercial gain. Respondent creates a likelihood of confusion with the Complainant's mark and URLs as to the source, sponsorship, affiliation, or endorsement of Respondent's website and the services offered at Respondent's website. See *Jupiter Chevrolet LP v. Total Net Solutions, supra*. for a discussion of commercially benefitting from a misleading domain name by receiving 'click-through-fees.'

Respondent has no *bona fide* offering of goods or services in conjunction with the Domain Name. If Respondent would be more forthcoming, she would state the primary purpose of Respondent's use of the parked website is not to sell cruises, or to earn pay per click revenue, but to exist to simply sell the Disputed Domain Name. Her <elitecruises.com> website clearly posts a link stating it is for sale, as does her posting on the websites at <afternic.com> and <sedo.com>. Anyone lacking an active website or business offering goods or services related to a registered domain name may "park" a domain name with ActiveAudience.com, or similar domain registrant concealing webhosts.

Finally, since the latter part of 2006 (and until this Complaint was filed), Respondent hid her contact information by registering the Disputed Domain Name through Domains By Proxy, Inc., a company that offers domain name registration services described as "private registration services," namely, the ability to register a domain name while keeping the true owner's name and address hidden from the general public.

Respondent's use of the proxy service also evidences bad faith, as does Respondent's failure to list contact information on its website.

#### IV. RESPONDENT'S CLAIM THAT COMPLAINANT HAS ENGAGED IN REVERSE DOMAIN HIJACKING IS WITHOUT MERIT

##### A. A Finding of Reverse Domain Name Hijacking is Not Warranted

Respondent's Counsel claims the fact that Complainant waited two years from the time it sent its "IP Rights" email to Respondent evidences that Complainant "did not seriously believe that Respondent had violated the Policy." Respondent's Counsel appears to claim laches to support his request. *See Samsung Elecs. Co., Ltd. v. COSMOS1*, D2007-0954 (WIPO Sept. 10, 2007). The implication of laches is without merit. Respondent's Counsel should be aware that IF or WHEN a litigant chooses to file an action, often hinges on IF or WHEN the litigant can afford to file an action. Quite simply, the Complainant was not in a financial position to file this Complaint before now. It is for the aforementioned reasons that a finding of Reverse Domain Name Hijacking is not warranted.

##### D. Respondent's Additional Submission

###### 1. Complainant Does Not Have Common Law Trademark Rights to "Elite Cruises."

For example, the Complaint makes the bald assertion that it has common law trademark rights to <elitecruises.com>. The Response presents strong arguments for why Complainant has failed to prove it has such rights. Its business name, bank accounts, tax filings, and other domain names provide no such rights. The fact that Complainant gave up his law practice and devotes himself to the business is also irrelevant. Complainant has simply made bald assertions that it has invested substantial sums of money in advertising ELITE CRUISES, without a scintilla of evidence of support. Proof of common law rights require evidence. *Voip Review LLC v. Nokta Internet Techs.*, FA 1095192 (Nat. Arb. Forum Dec. 12, 2007) ("Complainant has not sufficiently established common law rights in the VOIP REVIEW mark and merely makes bald assertions as to its rights in the mark without offering any evidence to support those assertions."). Complainant must prove that, prior to the registration of the Disputed Domain, consumers associated it "exclusively, or primarily, with ELITE CRUISES." *Molecular Nutrition, Inc. v. Network News & Publ'ns*, FA 156715 (Nat. Arb. Forum June 24, 2003). Even if Complainant's self-serving statements could satisfy the "secondary meaning" test, Complainant has not shown that its alleged common law trademark rights existed prior to Respondent's registration of the Disputed Domain on October 18, 2002. *Gonzalez et al. v. Ancevski*, FA 1112123 (Nat. Arb. Forum Feb. 8, 2008) (Policy requires proof of "common law . . . rights . . . at the time of registration of the domain name").

Complainant's allegations that Respondent should have conducted a search beyond the Patent and Trademark Office is moot since, as explained in the Response, such common law rights are/were non-existent in any event. In other words, a common law trademark

search would have led Respondent to the conclusion that “elite cruises” is a descriptive term, subject to substantial third party use, and not uniquely associated with Complainant – the same conclusion that should be reached here. Complainant’s argument that Respondent should have contacted it prior to registering the domain is equally pointless. Complainant had no trademark rights to ELITE CRUISES so there was no reason or obligation for Respondent to clear its registration of the Disputed Domain with Complainant, or with the several other third parties that were using the term in business.

## 2. Respondent Has Rights and a Legitimate Interest in the Disputed Domain

Complainant’s statement regarding Respondent’s “.biz” registrations is entirely irrelevant. The “.biz” registration requirements differ from those for “.com” registrations. Moreover, all of the Respondent’s referenced “.biz” domains are wholly generic, and serve to support Respondent’s position that it registers domain names because they are generic and descriptive. Complainant is also incorrect that the registration of a domain name for resale is illegitimate. At the outset, Respondent did not offer the Disputed Domain Name for sale for \$500. \$500 was simply a “minimum offer” that Respondent would entertain. “This is the lowest offer that a buyer is allowed to make for a domain name. Sellers are not obligated to sell a domain for this price unless the Reserve Price or Asking Price is met.” Complainant made a \$100 initial offer. The \$3,250.00 was, thus, a counter-offer to Complainant’s \$100 offer. In any event, even if Respondent made the first offer, it would not make its interest illegitimate.

As noted in the Response, registration of domain names for resale can be legitimate, provided that the respondent was not “targeting Complainant or its mark.” *Micron Tech., Inc. v. Null Int’l Research Ctr.*, D2001-0608 (WIPO June 20, 2001);<sup>xxxix</sup> *Kis v. Anything.com Ltd.*, D2000-0770 (WIPO Nov. 20, 2000);<sup>xxxix</sup> *Allocation Network GmbH v. Gregory*, D2000-0016 (WIPO Mar. 24, 2000);<sup>xxxix</sup> *Gen. Machine Prods. Co. v. Prime Domains*, FA 92531 (Nat. Arb. Forum Jan. 26, 2000).<sup>xxxix</sup> There is absolutely no evidence of any targeting here. There is not even evidence Respondent had knowledge of Complainant or its mark in 2002 when it registered the domain name.

## 3. Respondent Has Not Engaged in Bad Faith Registration or Use

Complainant alleges, but proffers no evidence, that Respondent uses the Disputed Domain Name to “intentionally attempt to attract internet users” by creating a likelihood of confusion. There simply is no evidence of an intent to confuse. Bad faith registration and use cannot be inferred, when a mark is descriptive, particularly when, as here, there is “substantial third party use of the term.” *See also Canned Foods, Inc. v. Ult. Search Inc.*, FA 96320 (Nat. Arb. Forum Feb. 13, 2001) (“There are dozens of other enterprises that use the term “Grocery Outlet,” therefore one cannot conclude that Complainant must necessarily be the special target);<sup>xxxv</sup> *Lumena s-ka zo.o. v. Express Ventures LTD*, FA 94375 (Nat. Arb. Forum May 11, 2000) (“no direct evidence that Respondent registered the [generic] domain name with the intent of capitalizing on Complainant’s trademark interest”).<sup>xxxvi</sup>

Complainant repeats its allegations that Respondent's use of a private registration service supports a finding of bad faith. This is amply refuted in the Response. Use of Whois privacy is absolutely legitimate under the Policy. Moreover, Complainant has always been able to easily reach Respondent – either in connection with Complainant's purchase inquiry or its initiation of this dispute.

#### 4. Complainant has Engaged in Reverse Domain Name Hijacking

As explained in the Response, Respondent is not arguing that Complainant's delay in bringing this action constitutes laches. To the contrary, it is simply evidence of the weakness of Complainant's case. Complainant's excuse that it can only now afford to bring this action casts doubt on the alleged substantial investment it has made in connection with ELITE CRUISES. Complainant is representing itself, and the National Arbitration Forum filing fee is just \$1,300.<sup>xxxvii</sup>

Accordingly, for all the reasons set forth here and in the Response, the Panel should find that Complainant has failed to meet its burden under the Policy, and deny the Complaint.

### **FINDINGS**

The panel makes the following findings:

- (1) the domain name registered by the Respondent is not identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- (2) the Respondent has no rights or legitimate interests in respect of the domain name;  
and
- (3) the domain name was neither registered nor is being used in bad faith.
- (4) There is insufficient evidence of a reverse domain name hijacking.

### **DISCUSSION**

Paragraph 15(a) of the Rules for Uniform Domain Name Dispute Resolution Policy (the "Rules") instructs this Panel to "decide a complaint on the basis of the statements and documents submitted in accordance with the Policy, these Rules and any rules and principles of law that it deems applicable."

Paragraph 4(a) of the Policy requires that the Complainant must prove each of the following three elements to obtain an order that a domain name should be cancelled or transferred:

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

(3) the domain name has been registered and is being used in bad faith.

### **Identical and/or Confusingly Similar**

The first inquiry is whether or not Complainant has rights to the ELITE CRUISES mark. There is no doubt Respondent's domain name is confusingly similar to "Elite Cruises."

Complainant has operated as a sole proprietorship under the "Elite Cruises" tradename since 1999. The first registration of the tradename occurred in Illinois on July 18, 2001. Complainant also registered his tradename in Pennsylvania on March 31, 2003. Complainant's trademark application to the United States Patent and Trademark Office can be disregarded because applications do not confer rights; only registration does. The fact the application was denied because it is confusingly similar to various existing registered marks is not necessary to consider for the purposes of this analysis. It is always possible for more than one person to have rights to a mark (while probably not desirable from the practical viewpoint).

Complainant has the burden of proof for showing "Elite Cruises" has acquired a secondary meaning.

Even a descriptive or generic mark attains a secondary meaning if the producer so effectively markets the product with the mark that consumers come to immediately associate the mark with only that producer of that particular kind of goods. To illustrate, assume that an apple grower markets red apples under the term "Acme." Because the term is generic, it would not qualify for full trademark protection at first. If, however, customers immediately recognize Acme apples as the apples produced by that grower, after five years the producer may prevent all others from using the mark "Acme" in connection with red apples.  
*See the Free Dictionary by Farlex.*

Complainant summarily claimed its name has acquired a secondary meaning. This is enough to shift the burden of persuasion to Respondent. Respondent has denied "Elite Cruises" has acquired a secondary meaning, citing various evidence. Respondent has met its burden of persuasion, causing it to shift back to Complainant. Complainant merely restated his position in his rebuttal rather than proving persuasive evidence on this point. While one could debate whether or not it is possible for "Elite Cruises" to have acquired a secondary meaning, Complainant simply has not proven the point. *See Molecular Nutrition, Inc. v. Network News & Publ'ns*, FA 156715 (Nat. Arb. Forum June 24, 2003) (finding that the complainant failed to establish common law rights in its mark because mere assertions of such rights are insufficient without accompanying evidence to demonstrate that the public identifies the complainant's mark exclusively or primarily with the complainant's products). A tradename is not automatically sufficient to confer trademark rights.

The Panel finds Complainant has failed to satisfy Policy ¶ 4(a)(i).

### **Rights or Legitimate Interests**

Complainant must first make a *prima facie* case Respondent lacks rights and legitimate interests in the disputed domain name under Policy ¶ 4(a)(ii), and then the burden shifts to Respondent to show it does have rights or legitimate interests in the disputed domain name. *See Hanna-Barbera Prods., Inc. v. Entm't Commentaries*, FA 741828 (Nat. Arb. Forum Aug. 18, 2006) (holding that the complainant must first make a *prima facie* case that the respondent lacks rights and legitimate interests in the disputed domain name under UDRP ¶ 4(a)(ii) before the burden shifts to the respondent to show that it does have rights or legitimate interests in a domain name); *see also AOL LLC v. Gerberg*, FA 780200 (Nat. Arb. Forum Sept. 25, 2006) (“Complainant must first make a *prima facie* showing that Respondent does not have rights or legitimate interest in the subject domain names, which burden is light. If Complainant satisfies its burden, then the burden shifts to Respondent to show that it does have rights or legitimate interests in the subject domain names.”).

Complainant asserts Respondent is not making a legitimate noncommercial or fair use of the disputed domain name, and that the website that resolves from the <**elitecruises.com**> domain name advertises the disputed domain name for sale, as well as hyperlinks for various websites in direct competition with Complainant. If “Elite Cruises” is so descriptive that Complainant cannot acquire rights to it (as Respondent contends), then Respondent cannot acquire rights to it. Furthermore, the sale of domain names and cash parking of domain names does not arise to the level a *bona fide* offering of goods or services contemplated under Policy ¶ 4(c)(i), nor a legitimate noncommercial or fair use under Policy ¶ 4(c)(iii). *See Mothers Against Drunk Driving v. Hyun-Jun Shin*, FA 154098 (Nat. Arb. Forum May 27, 2003) (holding that under the circumstances, the respondent’s apparent willingness to dispose of its rights in the disputed domain name suggested that it lacked rights or legitimate interests in the domain name); *see also TM Acquisition Corp. v. Sign Guards*, FA 132439 (Nat. Arb. Forum Dec. 31, 2002) (finding that the respondent’s diversionary use of the complainant’s marks to send Internet users to a website which displayed a series of links, some of which linked to the complainant’s competitors, was not a *bona fide* offering of goods or services).

Respondent is not commonly known by the <**elitecruises.com**> domain name, and therefore lacks rights and legitimate interests in the disputed domain name pursuant to Policy ¶ 4(c)(ii). *See Gallup, Inc. v. Amish Country Store*, FA 96209 (Nat. Arb. Forum Jan. 23, 2001) (finding that the respondent does not have rights in a domain name when the respondent is not known by the mark); *see also Tercent Inc. v. Lee Yi*, FA 139720 (Nat. Arb. Forum Feb. 10, 2003) (stating “nothing in Respondent’s WHOIS information implies that Respondent is ‘commonly known by’ the disputed domain name” as one factor in determining that Policy ¶ 4(c)(ii) does not apply).

The Panel finds Complainant has satisfied Policy ¶ 4(a)(ii).

## **Registration and Use in Bad Faith**

Complainant failed to meet the burden of proof of bad faith registration and use under Policy ¶ 4(a)(iii). *See Starwood Hotels & Resorts Worldwide, Inc. v. Samjo CellTech.Ltd*, FA 406512 (Nat. Arb. Forum Mar. 9, 2005) (finding that the complainant failed to establish that the respondent registered and used the disputed domain name in bad faith because mere assertions of bad faith are insufficient for a complainant to establish Policy ¶ 4(a)(iii); *see also Graman USA Inc. v. Shenzhen Graman Indus. Co.*, FA 133676 (Nat. Arb. Forum Jan. 16, 2003) (finding that general allegations of bad faith without supporting facts or specific examples do not supply a sufficient basis upon which the panel may conclude that the respondent acted in bad faith).

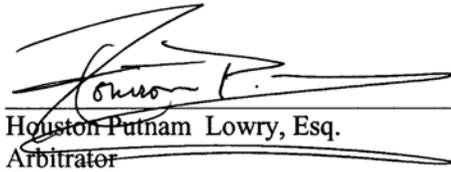
Respondent did a USPTO trademark search before it registered the <elitecruises.com> domain name. Respondent was correct; there was no trademark registration nor application immediately preceding the registration on October 18, 2002. Respondent is in the business of registering descriptive-term domain names. The Panel finds Respondent did not register the disputed domain name in bad faith under Policy ¶ 4(a)(iii) given the totality of the facts and circumstances of this case. *See Lumena s-ka zo.o. v. Express Ventures LTD*, FA 94375 (Nat. Arb. Forum May 11, 2000) (finding no bad faith where the domain name involves a generic term, and there is no direct evidence that the respondent registered the domain name with the intent of capitalizing on the complainant's trademark interest); *John Fairfax Publ'n Pty Ltd v. Domain Names 4U*, D2000-1403 (WIPO Dec. 13, 2000) (finding legitimate interests and no bad faith registration where the respondent is a seller of generic domain names), *It Takes 2 v. C.,J.*, FA 384923 (Nat. Arb. Forum Feb. 15, 2005) ("[I]n the absence of any evidence of knowledge on the part of Respondent of Complainant, its mark or its services at the time Respondent acquired the domain name, the Panel finds Complainant has failed to establish registration in bad faith."); *U.S. Nutraceuticals, LLC v. Telepathy, Inc.*, FA 365884 (Nat. Arb. Forum Jan. 17, 2005) ("Without knowledge of Complainant or its claim of right in the mark, it is difficult to see how Respondent could have the specific intent required for it to act in bad faith against the rights of Complainant.").

The Panel finds Complainant failed to satisfy Policy ¶ 4(a)(iii).

The Panel also finds there is insufficient evidence of a reverse domain name hijacking.

## **DECISION**

Having failed to establish all three elements required under the ICANN Policy, the Panel concludes that relief shall be **DENIED**.



Houston Putnam Lowry, Esq.  
Arbitrator

Joel M. Grossman, Houston Putnam Lowry (Chartered Arbitrator and chair)  
and David S. Safran, Panelist  
Dated: May 7, 2008

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## NATIONAL ARBITRATION FORUM

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- <sup>i</sup> *Goldberg & Osborne v. Advisory Board Forum, Inc.*, D2001-0711 (WIPO Oct. 4, 2001)  
<http://arbiter.wipo.int/domains/decisions/html/2001/d2001-0711.html>
- <sup>ii</sup> *Am. Airlines, Inc. v. WebWide Internet Commc'n GmbH*, FA 112518 (Nat. Arb. Forum June 13, 2002)  
<http://www.arb-forum.com/domains/decisions/112518.htm>
- <sup>iii</sup> *Bus. Architecture Group, Inc. v. Reflex Publ'g, Inc.*, FA 97051 (Nat. Arb. Forum June 5, 2001)  
<http://domains.adrforum.com/domains/decisions/97051.htm>
- <sup>iv</sup> *Amsec Enters. v. McCall*, D2001-0083 (WIPO April 3, 2001)  
<http://arbiter.wipo.int/domains/decisions/html/2001/d2001-0083.html>
- <sup>v</sup> *Bus. Architecture Group, Inc. v. Reflex Publ'g, Inc.*, FA 97051 (Nat. Arb. Forum June 5, 2001)  
<http://domains.adrforum.com/domains/decisions/97051.htm>
- <sup>vi</sup> *Advanced Relational Tech., Inc. v. Domain Deluxe*, D2003-0567 (WIPO Oct. 13, 2003)  
<http://arbiter.wipo.int/domains/decisions/html/2003/d2003-0567.html>
- <sup>vii</sup> *Prime Connections, LLC v. Covanta Corp.*, FA 817103 (Nat. Arb. Forum Dec. 18, 2006)  
<http://domains.adrforum.com/domains/decisions/817103.htm>
- <sup>viii</sup> *Car Toys, Inc. v. Informa Unlimited, Inc.*, FA 93682 (Nat. Arb. Forum Mar. 20, 2000).  
<http://www.arb-forum.com/domains/decisions/93682.htm>
- <sup>ix</sup> *Energy Source Inc. v. Your Energy Source*, FA 96364 (Nat. Arb. Forum Feb. 19, 2001)  
<http://www.arb-forum.com/domains/decisions/96364.htm>
- <sup>x</sup> *Moran et al. v. Boating Info. Burea Ltd.*, FA 102179 (Nat. Arb. Forum Jan. 14, 2002)  
<http://www.arb-forum.com/domains/decisions/102179.htm>
- <sup>xi</sup> *EAuto, LLC v. EAuto Parts*, D2000-0096 (Nat. Arb. Forum Apr. 9, 2000)  
<http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0096.html>

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- <sup>xii</sup> *HP Hood LLC v. Hood.com*, FA 313566 (Nat. Arb. Forum Oct. 20, 2004)  
<http://www.arb-forum.com/domains/decisions/313566.htm>
- <sup>xiii</sup> *Williams, Babbitt & Weisman, Inc. v. Ultimate Search*, FA 98813 (Nat. Arb. Forum Oct. 8, 2001)  
<http://www.arb-forum.com/domains/decisions/98813.htm>
- <sup>xiv</sup> *Accetta v. Domain Admin et al.*, FA 826565 (Nat. Arb. Forum Jan. 2, 2007)  
<http://domains.adrforum.com/domains/decisions/826565.htm>
- <sup>xv</sup> *Dial-a-Mattress Operating Corp. v. Ultimate Search*, D2001-0764 (WIPO Sept. 26, 2001)  
<http://arbiter.wipo.int/domains/decisions/html/2001/d2001-0764.html>
- <sup>xvi</sup> *Etam, plc v. Alberta Hot Rods*, D2000-1654 (WIPO Jan. 31, 2000)  
<http://arbiter.wipo.int/domains/decisions/html/2000/d2000-1654.html>
- <sup>xvii</sup> *GLB Servicios Interactivos S.A. v. Ultimate Search*, D2002-0189 (WIPO May 29, 2002)  
<http://arbiter.wipo.int/domains/decisions/html/2002/d2002-0189.html>
- <sup>xviii</sup> *Landmark Group v. Digimedia L.P.*, FA 285459 (Nat. Arb. Forum Aug. 6, 2004)  
<http://www.arb-forum.com/domains/decisions/285459.htm>
- <sup>xix</sup> *Sweeps Vacuum & Repair Ctr., Inc. v. Nett Corp.*, D2001-0031 (WIPO Apr. 13, 2001)  
<http://arbiter.wipo.int/domains/decisions/html/2001/d2001-0031.html>
- <sup>xx</sup> *Micron Tech., Inc. v. Null Int'l Research Ctr.*, No. D2001-0608 (WIPO June 20, 2001)  
<http://arbiter.wipo.int/domains/decisions/html/2001/d2001-0608.html>
- <sup>xxi</sup> *Kis v. Anything.com Ltd.*, D2000-0770 (WIPO Nov. 20, 2000)  
<http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0770.html>
- <sup>xxii</sup> *Allocation Network GmbH v. Gregory*, D2000-0016 (WIPO Mar. 24, 2000)  
<http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0016.html>
- <sup>xxiii</sup> *Gen. Machine Prods. Co. v. Prime Domains*, FA 92531 (Nat. Arb. Forum Jan. 26, 2000)  
<http://www.arb-forum.com/domains/decisions/92531.htm>
- <sup>xxiv</sup> *Pocatello Idaho Auditorium Dist. v. CES Mktg. Group, Inc.*, FA 103186 (Nat. Arb. Forum Feb. 21, 2002) <http://www.arb-forum.com/domains/decisions/94367.htm>
- <sup>xxv</sup> *Gen. Machine Prods. Co. v. Prime Domains*, FA 92531 (Nat. Arb. Forum Jan. 26, 2000)  
<http://www.arb-forum.com/domains/decisions/92531.htm>
- <sup>xxvi</sup> *Piper.com The New Piper Aircraft, Inc. v. Piper.com*, FA 94367 (Nat. Arb. Forum May 2, 2000)  
<http://www.arb-forum.com/domains/decisions/94367.htm>
- <sup>xxvii</sup> *Shouldoc Ltd. v. Vertical Axis*, D2006-0625 (Sept. 8, 2006)  
<http://www.wipo.int/amc/en/domains/decisions/html/2006/d2006-0625.html>
- <sup>xxviii</sup> *Jet Marques v. Vertical Axis, Inc.*, D2006-0250 (WIPO May 26, 2006)

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<http://www.wipo.int/amc/en/domains/decisions/html/2006/d2006-0250.html>

<sup>xxxix</sup> *Futureworld Consultancy Pty Ltd. v. Online Advice*, D2003-0297 (WIPO July 18, 2003)  
<http://arbiter.wipo.int/domains/decisions/html/2003/d2003-0297.html>

<sup>xxx</sup> *Rolling Stone LLC v. Robbins Carnegie Inc.*, FA 318048 (Nat. Arb. Forum Oct. 14, 2004)  
<http://domains.adrforum.com/domains/decisions/318048.htm>

<sup>xxxix</sup> *Micron Tech., Inc. v. Null Int'l Research Ctr.*, D2001-0608 (WIPO June 20, 2001)  
<http://arbiter.wipo.int/domains/decisions/html/2001/d2001-0608.html>

<sup>xxxix</sup> *Kis v. Anything.com Ltd.*, D2000-0770 (WIPO Nov. 20, 2000)  
<http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0770.html>

<sup>xxxix</sup> *Allocation Network GmbH v. Gregory*, D2000-0016 (WIPO March 24, 2000)  
<http://arbiter.wipo.int/domains/decisions/html/2000/d2000-0016.html>

<sup>xxxix</sup> *Gen. Machine Prods. Co. v. Prime Domains*, FA 92531 (Nat. Arb. Forum Jan. 26, 2000)  
<http://www.arb-forum.com/domains/decisions/92531.htm>

<sup>xxxix</sup> *Canned Foods, Inc. v. Ult. Search Inc.*, FA 96320 (Nat. Arb. Forum Feb. 13, 2001)  
<http://www.arbforum.com/domains/decisions/96320.htm>

<sup>xxxix</sup> *Lumena s-ka z.o.o. v. Express Ventures LTD*, FA 94375 (Nat. Arb. Forum May 11, 2000)  
<http://www.arb-forum.com/domains/decisions/94375.htm>

<sup>xxxix</sup> If that constitutes a lot of money to Complainant, it is arguable that Respondent's "substantial investment" in advertising and promotion was also insignificant.