



## NATIONAL ARBITRATION FORUM

### DECISION

XM Satellite Radio Inc. v. Kyle Kennedy  
Claim Number: FA0609000796199

#### PARTIES

Complainant is **XM Satellite Radio Inc.** (“Complainant”), represented by **Meredith Weinberg**, of **Pillsbury Winthrop Shaw Pittman LLP**, 2300 N Street, NW, Washington, DC 20036. Respondent is **Kyle Kennedy** (“Respondent”), 3404 Estates Drive, Schertz, TX 78154.

#### REGISTRAR AND DISPUTED DOMAIN NAMES

The domain names at issue are <**xmstations.info**>, <**xmstations.net**>, <**xmstations.biz**>, <**xmstations.org**>, <**xm-stations.info**>, <**xm-stations.net**>, <**xm-stations.biz**>, and <**xm-stations.org**>, registered with **Go Daddy**.

#### 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.

Houston Putnam Lowry, Chartered Arbitrator, as Panelist.

#### PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum electronically on September 14, 2006; the National Arbitration Forum received a hard copy of the Complaint on September 18, 2006.

On Sep 14, 2006, Go Daddy confirmed by e-mail to the National Arbitration Forum that the <**xmstations.info**>, <**xmstations.net**>, <**xmstations.biz**>, <**xmstations.org**>, <**xm-stations.info**>, <**xm-stations.net**>, <**xm-stations.biz**>, and <**xm-stations.org**> domain names are registered with Go Daddy and that the Respondent is the current registrant of the name. Go Daddy has verified that Respondent is bound by the Go Daddy 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 September 26, 2006, a Notification of Complaint and Commencement of Administrative Proceeding (the “Commencement Notification”), setting a deadline of October 16, 2006 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@<xmstations.info>, postmaster@<xmstations.net>, postmaster@<xmstations.biz>, postmaster@<xmstations.org>, postmaster@<xmstations.info>, postmaster@<xm-stations.net>, postmaster@<xm-stations.biz>, and postmaster@xm-stations.org by e-mail.

A timely Response was received and determined to be complete on October 12, 2006.

Complainant made a timely additional submission on October 17, 2006. A timely additional submission by Respondent was made on October 19, 2006.

On October 24, 2006, pursuant to Complainant's request to have the dispute decided by a single-member Panel, the National Arbitration Forum appointed Houston Putnam Lowry, Chartered Arbitrator, as Panelist.

## **RELIEF SOUGHT**

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

## **PARTIES' CONTENTIONS**

### **A. Complainant**

#### **Trademark/Service Mark Information:**

XM Satellite Radio Inc., ("XM Radio") an emerging force in broadcasting, was incorporated in 1992 and is a wholly owned subsidiary of XM Satellite Radio Holdings Inc. XM Radio is a Delaware corporation and owns a family of business names and federally registered trademarks and service marks consisting of and including the term XM ("XM<sup>®</sup> Marks") in the field of satellite radio broadcasting services. XM Radio has been using the term XM<sup>®</sup> in commerce since 2001 in connection with the provision of satellite radio broadcasting services. XM Radio has been publicly traded on the NASDAQ since October 1999 (NASDAQ:XMSR).

The XM<sup>®</sup> Marks have been federally registered with the United States Patent and Trademark Office for a number of years. *See, e.g.*, XM, TM Reg. No. 2,547,677, registered March 12, 2002, for satellite broadcasting services in Class 38; XM & Design, TM Reg. No. 2,556,817, registered April 2, 2002 for satellite broadcasting services in Class 38; FIRST THERE WAS AM, THEN FM, AND NOW...XM SATELLITE RADIO, TM Reg. No. 2,643,696, registered October 29, 2002, for entertainment services in Class 41; XM COMEDY, TM Reg. No. 2,652,593, registered November 19, 2002 for entertainment services in Class 41; XPERIENCE XM, TM Reg. No. 2,732,837, registered July 1, 2003 for entertainment services in Class 41; XM READY, TM Reg. No. 2,810,210, registered February 3, 2004 for radios in Class 9; XMDIRECT, TM Reg. No. 2,902,875, registered November 16, 2004 for digital audio hardware in Class 9; XM NATION, TM Reg. No. 2,964,990, registered July 5, 2005 for magazines in Class 16 and for entertainment services Class 41. XM Radio has invested substantial sums in the

development and protection of the XM brand and the XM<sup>®</sup> Marks are among its most valuable assets, as the XM<sup>®</sup> Marks are widely recognized in the radio broadcasting field. XM Radio also owns several domain names, including <xmradio.com> and <xm2go.com>, and uses them to transmit radio broadcasts as well as to sell its satellite radio broadcasting services to current and new subscribers.

XM Radio is America's leading satellite radio broadcaster. In connection with its XM<sup>®</sup> Marks, XM Radio provides music, news, talk, information, entertainment, and sports programming for reception by vehicle, home, and portable radios nationwide and over the Internet to more than seven million subscribers. XM Radio employs over 700 employees and had total revenues of \$558.3 million in 2005, more than doubling from its 2004 total revenues. More than \$500 million of these revenues are due to satellite broadcasting radio subscriptions for which XM Radio charges its subscribers a \$12.95 monthly fee.

XM Radio's advertising of the XM<sup>®</sup> Marks includes television, radio, print, and Internet advertising. In 2005, XM Radio's total advertising expenses were \$163,312,000. In addition to its current advertising, the Internet is an increasingly vital channel of XM Radio advertising and radio programming. XM Radio's principal satellite broadcasting Web site is located at <www.xmradio.com>. XM Radio launched its <www.xmradio.com> Web site in 2001 and has continued to expand its reach via the Internet since then.

## **FACTUAL AND LEGAL GROUNDS**

This Complaint is based on the following factual and legal grounds: ICANN Rule 3(b)(ix):

**[a.] <xmstations.info>; <xm-stations.info>; <xmstations.net>; <xm-stations.net>; <xmstations.biz>; <xm-stations.biz>; <xmstations.org>; and <xm-stations.org> (the "Kennedy Domain Names") Are Confusingly Similar to the XM<sup>®</sup> Marks**

1. As set forth above, XM Radio is the legitimate and rightful owner of the XM<sup>®</sup> Marks by virtue of use and registration. The XM<sup>®</sup> Marks consist of the term XM, and XM Radio also maintains an Internet presence and conducts business through various domain names that incorporate the XM<sup>®</sup> Marks, such as <xmradio.com>. Apart from the various top level domain ("TLD") suffices and the radio-related term "stations", the Kennedy Domain Names incorporate in their entirety XM Radio's registered XM<sup>®</sup> Marks.

2. Confusing similarity is readily found where the accused domain name incorporates a distinctive mark in its entirety with added matter which is non-distinctive. *See AOL LLC v. Maher Osseiran d/b/a Arabian Virtual Village, LLC*, FA 758794 (Nat. Arb. Forum Sep. 11, 2006) (<theunaol.com> and other similar domain names, finding confusing similarity between the disputed domain names and Complainant's mark where domain names included generic prefixes); *L.L. Bean, Inc. v. ShopStarNetwork*, FA 95404 (Nat. Arb. Forum Sept. 14, 2000) (<shopllbean.com>, finding that combining a generic

word with the Complainant's registered mark does not circumvent or avoid the confusing similarity aspect of the Web site at issue). Indeed, Respondent's addition of the generic word "stations" aggravates the confusing similarity because the XM<sup>®</sup> Marks are prominently and widely used for radio broadcasting services over a number of different "stations" (or channels). *See DaimlerChrysler Corp. v. Asia Ventures, Inc.*, FA 453735 (Nat. Arb. Forum May 17, 2005) (finding that respondent's registration of the <chryslercorporation.com> domain name, which incorporated Complainant's mark in its entirety and adding only a generic or descriptive term, created a likelihood of confusion and suggested that Respondent knew of Complainant's rights in the CHRYSLER mark.)

3. The natural association of the word "stations" with the XM<sup>®</sup> Marks appears from the fact that XM Radio owns <xmradio.com> and broadcasts its radio programming in the form of different radio channels (or "stations") through that Web site. Likewise, the fact that XM Radio owns composite variations of XM, such as FIRST THERE WAS AM, THEN FM, AND NOW...XM SATELLITE RADIO for satellite radio broadcasting services, XM NATION, and XMDIRECT, makes it certain that confused customers will assume that the Kennedy Domain Names are another variation owned by the true XM Radio.

**[b. ] Respondent Has No Legitimate Rights or Interests in the Domain Name.**

1. On information and belief, Respondent has not used and is not using the Kennedy Domain Names in connection with any *bona fide* offering of goods or services. To the contrary, the Kennedy Domain Names make *no* mention of any specific goods or services being offered by Respondent. Rather, the Kennedy Domain Names are used for third party links that do not belong to the Respondent. In addition, Respondent made clear that his only interest in the Kennedy Domain Names was to sell them to either XM Radio or a third party (Offer by Respondent to "throw" in the Kennedy Domain Names as a "perk" along with <xmstations.com> for the price of \$175,000 to \$200,000.))

2. Additionally damaging to XM Radio is the fact that several of the third party links on Respondent's Kennedy Domain Names sites are to satellite radio companies in competition with XM. Thus, Respondent's unauthorized use of the XM<sup>®</sup> Marks in the Kennedy Domain Names will likely lure confused customers and cause actual diversion of sales from XM Radio.

3. Respondent has no legitimate claim to any of the Kennedy Domain Names. Rather, it is XM Radio that has obtained and maintained trademark registrations for a number of trademarks incorporating the name XM Radio. XM Radio also maintains an online presence, selling satellite radio subscriptions and hardware and transmitting broadcasting services via its Web site, <xmradio.com>. In contrast, Respondent's use of the Kennedy Domain Names is neither a *bona fide* offering of goods or services, nor a legitimate noncommercial or fair use pursuant to Policy Paragraphs 4(c)(i) and (iii). *See AOL LLC v. Ed Johnson and Sons Systems*, FA 754070 (Nat. Arb. Forum Sep. 1. 2006) (finding Respondent's use of <compuseve.com>, which resolved to a website providing links to third-party websites offering services and products in competition with complainant, was not a *bona fide* offering of goods or services nor a legitimate

noncommercial or fair use); *Coryn Group, Inc. v. Media Insight*, FA 198959 (Nat. Arb. Forum Dec. 5, 2003) (finding that respondent was not using domain names for a *bona fide* offering of goods or services nor a legitimate noncommercial or fair use because it used the names to divert Internet users to a Web site that offered competing services with those offered by the complainant under its marks).

4. Moreover, Respondent is not commonly known by “xmstations” or “xm-stations”, or any of the Kennedy Domain Names, pursuant to ICANN Policy Paragraph 4(c)(ii). Rather, it is clear that Respondent first advertised the <xmstations.com> domain name for sale under circumstances that made clear he had registered it with the intent to sell, license or otherwise transfer it to XM Radio or third parties, and then went on to register the Kennedy Domain Names with the same intent to sell, license, or otherwise transfer them. (After informing XM Radio that he “had many offers” for the <xmstations.com> domain name but wanted to sell that domain name to XM Radio, Respondent offered to “throw” the Kennedy Domain Names in as a “perk” to XM radio for the price he originally quoted for <xmstations.com>). Respondent’s passive holding of the Kennedy Domain Names is indicative of a lack of rights or legitimate interests in the domain names. *See Hotwire, Inc. v. Kiansu Thoi*, FA 743605 (Nat. Arb. Forum Aug. 18, 2006) (holding that Respondent had no rights or legitimate interest in <hotwire.com> domain name where “Respondent is not actively using the disputed domain name”); *Am. Home Prod. Corp. v. Malgioglio*, D2000-1602 (WIPO Feb. 19, 2001) (finding no rights or legitimate interest in <solgarvitamins.com> domain name where Respondent merely passively held domain name).

5. Respondent is not authorized to use the XM<sup>®</sup> Marks, nor is he otherwise a licensee of XM Radio. The Respondent registered the Kennedy Domain Names with GoDaddy.com on August 4, 2006, which is approximately four years after XM Radio started using the XM<sup>®</sup> Marks in commerce in the United States, and is long after XM Radio had become known for satellite radio broadcasting in the United States and worldwide.

**[c.] Respondent Registered and Is Using the Domain Name in Bad Faith.**

1. Respondent’s own words demonstrate that he registered domain names in bad faith as he first contacted XM Radio to sell the <xmstations.com> domain name for valuable consideration; namely, \$175,000 to \$200,000 and a one- or two-year subscription to XM Radio as a “minor requirement” of the sale. Aware of the value in the XM<sup>®</sup> Marks, Respondent proceeded to register the Kennedy Domain Names – and others such as xmstations.name and xm-stations.name – to make more money. He stated he wanted to “throw” these names in as a “perk” to XM Radio for the quoted price of \$175,000 to \$200,000, presumably to justify a higher sum. Such conduct is undeniably bad faith. *See Alain-Martin Pierret d/b/a Bordeaux West v. Sierra Tech. Group, LLC*, FA 472135 (Nat. Arb. Forum Jul. 1, 2005) (finding that, coupled with Respondent’s lack of legitimate interest in the confusingly similar domain name, “its offer to sell the domain name for \$3000 through the <sedo.com> website is classic bad faith cybersquatting.”); *DLJ Long Term Inv. Corp. v. The Domain Name You Have Entered Is For Sale*, FA 95755 (Nat. Arb. Forum Nov. 6, 2000) (finding that selling domain names that are

identical or confusingly similar to the trademarks of others amounts to bad faith).

2. The Respondent's use of the Kennedy Domain Names blatantly evidences his bad faith registration of the widely-known and registered XM<sup>®</sup> Marks. By reason of extensive sales, advertising and use, the XM<sup>®</sup> Marks have come to be recognized and relied upon by the public in the United States and the trade worldwide as identifying XM Radio's services and distinguishing them from the services of others. Respondent made clear that he registered the <xmstations.com> domain name while already aware of the XM<sup>®</sup> Marks. ("I also know that this could be a valuable domain name to have point back to www.xmradio.com or a great place to list actual XM stations."). Respondent again made clear that he was aware of the XM<sup>®</sup> Marks and their value to XM Radio when he subsequently registered the Kennedy Domain Names and offer to "throw" them in as a "perk" to XM Radio. By registering the Kennedy Domain Names, Respondent intended to make unlawful use of the XM<sup>®</sup> Marks. See *Robert-Bosch GmbH v. Registrant Registrant*, FA 755417 (Nat. Arb. Forum Sep. 7, 2006) (holding that Respondent's registration of disputed domain name despite "evident" knowledge of complainant's mark showed bad faith); *Herbalife Int'l of Am., Inc. v. Marc Larsen*, FA 766735 (Nat. Arb. Forum Sep. 5, 2006) (finding that, given respondent's actual or constructive knowledge of complainant's trademark registrations, his use of a confusingly similar domain name was in bad faith); *Hanna-Barbera Prods., Inc. v. Entm't Commentaries*, FA 741828 (Nat. Arb. Forum Aug. 18, 2006) (finding respondent's knowledge of complainant's mark allowed the panel to presume registration and use in bad faith); *Pepsico, Inc. v. Richard Leeds*, 117870 (Nat. Arb. Forum Sep. 27, 2002) ("[R]egistration of a domain name that incorporates a famous trademark, despite knowledge of Complainant's rights, is evidence of bad faith registration."). Respondent's registration of the Kennedy Domain Names domain name infringed (and continues to infringe) upon the rights of XM Radio in the XM<sup>®</sup> Marks.

3. Moreover, upon information and belief, Respondent has previously registered domain names under similar circumstances with the intent to sell, thus establishing a pattern of bad faith conduct. (Respondent confessed that he had also tried to sell domain names to Microsoft and a Texas supermarket chain.)

4. XM Radio's counsel sent letters to Respondent on August 8, 2006 and August 14, 2006 via electronic mail demanding that Respondent cease and desist all use of the XM<sup>®</sup> Marks on his Web site and as part of the Kennedy Domain Names. Respondent rejected XM Radio's nominal offers to purchase the Domain Names for \$100 (to cover transfer costs) during a telephone call with XM Radio's counsel and again in writing. Respondent is unquestionably seeking to profit from the unauthorized and unlawful use of the XM<sup>®</sup> Marks.

## B. Respondent

First, I would like to request that the panel rule all phone conversations as inadmissible evidence under Rule 408. There is no evidence to prove what I said or what the attorney

said is true and factual, or merely hearsay. I gave no permission to have my phone conversations recorded. XM's attorney baited me into stating many things I now regret. However, she kept baiting me for an answer as to what I thought was my "reasonable price" was to buy my various domains. I told her I would get them appraised, and she thought that was a good idea. Our first phone conversation was on August 2, 2006. XM and their attorney was negligent in not purchasing all the domain names in question here. I purchased them on August 4, 2006. If they were smart they would not have had to go to all this expense in filing a complaint through the National Arbitration Forum. Please note: This complaint was not filed until 9/25/06. It was a decision of the Forum that the original complaint was filed in error since two domains listed in the footnote on page 2, of this complaint, were lifted at the request of the Form coordinator. This attorney had already paid their fee and has no choice but to hijack these domains even though XM has no intent to ever use these domains. It seems ironic that they could have had these domains without having to spend so much time and energy in acquiring such useless domains. They rejected my attempt to transfer these domains for \$100.00 because they added stipulations that I would not agree to. I do want to answer some of the charges within this complaint. In fact, I released my ownership rights to these domains on September 14, 2006. On 9/14/06, I called GoDaddy to cancel or drop the domains in this complaint. I was given instructions as to the process to drop the selected domains, and how to save the changes. I was informed that this process would take about 42 days for the domains to be released back into the registry pool for other registrants to be able to register these domains. I followed their instructions and dropped these domains. You can verify this with GoDaddy. This complaint was filed, on 9/25/06, after I dropped these domains. GoDaddy placed a "hold" on these domains until the complaint was finalized. At this time, I can log in, and these domains do not show up under "My Domains".

Any reference to the deleted domains, xmstations.com and xm-stations.com., should be excluded from this complaint. I never owned xm-stations.com. I am the second owner of xmstations.com having owned it only since July 12, 2006. A separate complaint has been filed for these domains against the current registrant. These are two separate complaints and two separate registrants. Therefore, "The Forum" has already decided each complaint will be dealt with separately and not jointly. I never "personally" used these domains for "any" purpose. They were parked with GoDaddy.com. A parked domain is a domain that is given a temporary "parking" page by the registrar (GoDaddy) after registration. I am not responsible for "advertising links" that XM's attorney is claiming "bad faith" for unauthorized use of their mark. You can verify with GoDaddy who is responsible for redirecting parked domains to other advertising links. If GoDaddy was redirecting these domains to other websites for advertising purposes, that is beyond my control. XM's attorney needs to address that issue of "unauthorized use" with GoDaddy. Therefore, this point to prove "bad faith" for my "unauthorized use" is grossly in error.

Having owned these domains since 8/4/06, it is unreasonable to establish a known existence or use for these domains. Complainant had four years plus to register these

domains themselves. They even had two days prior to our original phone conversation to register these domains in question.

There is enough question and reasonable doubt that the Complainant does not possess any proprietary or common law rights to the generic term “stations” or “channels” when combined with their XM mark. *Interactive Television Corp. v. Noname.com*, D2000-0358 (WIPO Jun. 28, 2000). This panel should not make a conclusion, at this time, that xm-stations or xmstations is or is not confusingly similar to xmradio because a strong indication exists that the phrase is generic when used in connection with Complainant’s goods or services. It is possible that xmstations could be confusingly similar to xmchannels, but XM Radio does not own nor has made no attempt to own xmchannels.com. In fact, within their own advertising brochures they use “listen.xmradio.com” as their choice as a channel index. XM owns xmreference.com, but has chosen not to use that domain to point toward a particular service, such as a channel reference source or other product or service. The complainant has not presented any evidence that the “general public” associates xmchannels or xmstations with their XM mark. The generic word “stations” is incapable of acting as a common law trademark without showing of significant secondary meaning (See *Postecom spa v. Smartphone sa* (supra). A term is generic when its principal significance to the public is to indicate the product or service itself, rather than its source. *Feathercombs, Inc. v. Sole Products Corp.*, 306 F.2d 251(2nd Cir. 1962); *Interactive Television Corp. v. Noname.com*, D2000-0358 (WIPO Jun. 28, 2000). Why has XM felt the need to trademark various other names indicating a particular service, such as XM Nation for their magazines; XMDIRECT for their digital audio hardware; XPERIENCE XM for their radios? Why trademark some names and not others? One could only conclude “generic” words when its principal significance to the public is to indicate the product or service itself, rather than its source. A generic term is not entitled exclusive protection. *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111 (1938). Again, this panel should not make a ruling, at this time, regarding the “confusingly similar” issue, since enough reasonable evidence exists, that a reasonable bystander would not regard these domains as confusingly similar since xmradio is a common mark promoting all types of radio services. XMstations would have a more specific meaning. This panel does not have to make a decision on the “confusingly similar” issue since all these domains have already been released by the respondent.

#### C. Additional Submissions

Complainant made an additional submission on October 17, 2006, which was timely and considered by the Panel:

#### I. INTRODUCTION

Despite the vague and conclusory statements in the Response Kyle Kennedy submitted to the NAF on October 12, 2006<sup>1</sup>, Respondent has not disputed a single one of the requisite

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<sup>1</sup> Notably, as of October 17, 2006, Respondent has not served his Response on XM Satellite Radio Inc., pursuant to ¶5(b)(vii) of the Rules for Uniform Domain Name Resolution Policy, as approved by ICANN on October 24, 1999.

elements of proof under the Uniform Domain Name Resolution Policy (“UDRP”) ¶4(a). *First*, Kennedy has failed to show that the domain names at issue in of XM Satellite Radio Inc.’s (“XM Radio”) Complaint are not confusingly similar to XM Radio’s registered marks. *Second*, Kennedy has not disputed that XM Radio has rights to the marks upon which Respondent’s domain names infringe. *Third*, Kennedy concedes that he has no legitimate use in the domain names at issue. *Finally*, Kennedy has not disputed the evidence of his bad faith in the registration and use of the domain names at issue. Accordingly, this Panel should find for XM Radio and order the transfer of the domain names at issue in this proceeding.

## II. BACKGROUND

XM Radio submitted a Complaint in accordance with the UDRP on September 22, 2006 concerning the domain names <xmstations.info>, <xm-stations.info>, <xmstations.net>, <xm-stations.net>, <xmstations.biz>, <xm-stations.biz>, <xmstations.org>, and <xm-stations.org> (the “Kyle Kennedy Domain Names”).<sup>2</sup> In its Complaint, XM Radio argued that Respondent, in bad faith, registered and uses the Kyle Kennedy Domain Names. XM Radio further posited that the Kyle Kennedy Domain Names are confusingly similar to the family of business names and federally registered trademarks and service marks that XM Radio owns, which consist of and include the term XM in the field of satellite radio broadcasting services (“XM<sup>®</sup> Marks”).<sup>3</sup> By virtue of use and registration, XM Radio is the legitimate and rightful owner of the XM<sup>®</sup> Marks.

## III. ARGUMENT

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<sup>2</sup> The Complaint was originally filed with the NAF on September 13, 2006 (“Original Complaint”). The Original Complaint included the domain names <xmstations.com> and <xm-stations.com> (collectively, the “Gary Kennedy Domain Names”), which XM Radio had a good faith basis to believe were owned by Respondent. On September 20, 2006, the NAF informed XM Radio that the Original Complaint involved domain names with multiple respondents. Pursuant to that letter, XM Radio revised the Original Complaint to remove the Gary Kennedy Domain Names. In addition, on October 2, 2006, XM Radio submitted a Complaint against Gary Kennedy, registrant of the Gary Kennedy Domain Names. On October 10, 2006, XM Radio requested that NAF consolidate the Complaints against Kyle Kennedy and Gary Kennedy, as XM Radio believes that Respondent and Gary Kennedy acted together in an attempt to avoid XM Radio’s Complaint seeking transfer of the domain names at issue in these two cases.

<sup>3</sup> The XM<sup>®</sup> Marks include XM, TM Reg. No. 2,547,677, registered March 12, 2002, for satellite broadcasting services in Class 38; XM & Design, TM Reg. No. 2,556,817, registered April 2, 2002 for satellite broadcasting services in Class 38; FIRST THERE WAS AM, THEN FM, AND NOW...XM SATELLITE RADIO, TM Reg. No. 2,643,696, registered October 29, 2002, for entertainment services in Class 41; XM COMEDY, TM Reg. No. 2,652,593, registered November 19, 2002 for entertainment services in Class 41; XPERIENCE XM, TM Reg. No. 2,732,837, registered July 1, 2003 for entertainment services in Class 41; XM READY, TM Reg. No. 2,810,210, registered February 3, 2004 for radios in Class 9; XM DIRECT, TM Reg. No. 2,902,875, registered November 16, 2004 for digital audio hardware in Class 9; and XM NATION, TM Reg. No. 2,964,990, registered July 5, 2005 for magazines in Class 16 and for entertainment services in Class 41. XM Radio also owns several domain names, including <xmradio.com> and <xm2go.com>, and uses them to transmit radio broadcasts as well as to sell its satellite radio broadcasting services and hardware to current and new subscribers.

1. Respondent alleges in his Response that “all these domains have already been released by the respondent” and that he no longer owns the Kyle Kennedy Domain Names. This is incorrect and untrue. Attached to this Reply as Exhibit A are copies of the Whois Source information, dated October 17, 2006, related to the Kyle Kennedy Domain Names, evidencing Respondent’s current ownership of each of them.

2. Respondent is unable to show that the Kyle Kennedy Domain Names are not identical or confusingly similar to the XM<sup>®</sup> Marks in which XM Radio has rights (UDRP ¶4(a)(i)); that he has rights or legitimate interests in the Kyle Kennedy Domain Names (UDRP ¶4(a)(ii)); or that he has not registered and does not use the Kyle Kennedy Domain in bad faith (UDRP ¶4(a)(iii)).

**A. Respondent is Unable to Dispute That the Kyle Kennedy Domain Names are Confusingly Similar to the XM<sup>®</sup> Marks in Which XM Radio Has Rights**

1. Respondent is unable to dispute XM Radio’s allegations that the Kyle Kennedy Domain Names are confusingly similar to the XM<sup>®</sup> Marks, in which XM Radio has rights. To dispute XM Radio’s proof of its rights in the XM<sup>®</sup> Marks, Respondent appears to allege that the XM<sup>®</sup> Marks are generic. To the contrary, XM is distinctive in the field of satellite radio. Specifically, he alleges that the “‘general public’ [does not] associate[] xmchannels or xmstations with their XM mark” and that “the generic word ‘stations’ is incapable of acting as a common law trademark without showing of significant secondary meaning.” Further, Respondent alleges that “enough reasonable evidence exists, that a reasonable bystander would not regard these domains as confusingly similar since xmradio is a common mark promoting all types of radio services.” Of course, here, the term at issue is “XM,” and not the terms “stations” or “channels.” Indeed, Respondent even concedes that it is “possible that xmstations could be confusingly similar to xmchannels,” admitting that it is the “XM” portion of these terms that are confusingly similar. Contrary to Respondent’s conclusory statements, no evidence exists that the XM<sup>®</sup> Marks are generic, or that it promotes any “type” of radio service other than the satellite radio services that XM Radio provides to its customers. Additionally, the XM<sup>®</sup> Marks are not common law marks, as Respondent seems to allege, but are valid and federally registered.

2. This Panel should reject Respondent’s assertions that the XM<sup>®</sup> Marks are generic. XM Radio’s trademark registrations in the XM<sup>®</sup> Marks “preclude acceptance of Respondent’s assertion to the effect that Complainant has no rights under the Policy because, Respondent alleges, Complainant’s mark is merely a ‘common’ (i.e.: generic) term. The Panel has no power to disturb a determination by the relevant authorities that Complainant’s mark has sufficient distinctiveness to be eligible for registration.” *Amazon.com, Inc. v. Frank Joachim*, FA 786711 (Nat. Arb. Forum Oct. 9, 2006) (citing *U.S. Office of Pers. Mgmt. v. MS Tech., Inc.*, FA 198898 (Nat. Arb. Forum Dec. 9,

2003)); *see also Nike, Inc. v. Online Marketing Realty c/o Young Jin*, FA 713839 (Nat. Arb. Forum Jun. 30, 2006).<sup>4</sup>

3. In addition, the cases Respondent cites on this point are inapposite. Respondent cites *Postecom*, a case brought and decided under the Start-up Trademark Opposition Policy, not the UDRP. *Postecom spa v. smartphone sa*, FA 110805 (Nat. Arb. Forum Jul. 22, 2002). Even if it was applicable precedent in a UDRP proceeding, no registered mark was at issue in *Postecom*. There, the Panel found that the term POSTE could not be considered as a common law mark without significant secondary meaning. Here, in contrast, the XM Marks have been federally registered, and XM Radio does not need to prove their secondary meaning. In sum, *Postecom* is inapplicable to this case.

4. Next, Respondent cites *Feathercombs, Inc. v. Solo Prods. Corp.*, 306 F.2d 251 (2d Cir. 1962) and *Interactive Television Corp. v. Noname.com*, D2000-0358 (WIPO, Jun. 26, 2000) in support of his Response. Neither of these cases are relevant. The *Feathercombs* court actually found that the FEATHERCOMBS mark was *not* generic. 306 F.2d at 256. As for *Interactive TV*, the WIPO Panel stated that “[i]t is important to note that this Panel has not made a determination that the name ‘interactive television’ is generic,” and instead only found that Complainant could not prove its proprietary rights in the name. Here, the XM<sup>®</sup> Marks are generic and clearly registered by XM Radio.

5. Finally, Respondent mistakenly relies on *Kellogg Co. v. National Biscuit Co.*, 305 U.S. 111 (1938), in which the Supreme Court noted that the term “Shredded Wheat” was a generic term by which shreds of previously boiled whole wheat was generally known by the public. Unlike here, in *Kellogg, Co.*, the Supreme Court noted that the U.S. Patent and Trademark Office refused to issue a trademark registration for SHREDDED WHEAT. *Id.* at 112-113. XM Radio has undisputedly obtained valid and existing trademark registrations for the XM<sup>®</sup> Marks. Respondent’s reliance on *Kellogg* to contradict XM Radio’s rights in the XM<sup>®</sup> Marks is simply wrong.

6. The XM<sup>®</sup> Marks consist of the term XM, which the Kyle Kennedy Domain Names incorporate along with the radio-related term “stations” and various generic top-level domain (“gTLD”) names. As confusing similarity is found where the accused domain name incorporates a distinctive mark in its entirety with added matter which is non-distinctive (like “stations” and gTLDs), the Panel should find that the Kyle Kennedy Domain Names are confusingly similar to the XM<sup>®</sup> Marks.

## **B. Respondent Has Not Demonstrated Rights or Legitimate Interests in the Kyle Kennedy Domain Names**

1. Respondent concedes that he has no rights or legitimate interests in the Kyle Kennedy Domain Names and that he is not using the Kyle Kennedy Domain Names in

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<sup>4</sup> True and correct copies of the cases cited in this Reply are attached hereto as Exhibit B for the Panel’s convenience.

connection with any *bona fide* offering of goods or services pursuant to UDRP Paragraphs 4(c)(i) and (iii). Indeed, he states, “I never ‘personally’ used these domains for ‘any’ purpose.” Despite his claim that he is “not responsible for ‘advertising links’” on the web pages linked to the Kyle Kennedy Domain Names, the fact that the web pages contain third party links that do not belong to Respondent, some of which even advertise for XM Radio’s competitor, also demonstrate that Respondent has no rights or legitimate interests in the Kyle Kennedy Domain Names (*See, e.g., xm-stations.biz* Web site print out listing “Sirius Satellite Radio” and “Sirius Receiver” under “Related Searches.”).

2. Significantly, Respondent made clear that his only interest in the Kennedy Domain Names was to sell them to either XM Radio or a third party (Email from Respondent in which he states that “I am letting your company, the worlds [*sic*] largest for XM, have a first chance to acquire a very valuable domain for your companies [*sic*] future. Otherwise, I am going to auction it off at a Domain Aftermarket Value website.”). Respondent addresses this proof of his lack of rights or legitimate interests by asking the Panel to disregard his written and oral statements under the Federal Rules of Evidence (“FRE”). Preliminarily, FRE 408 would not bar admission of Respondent’s statements, as they were not made as an offer to compromise but instead as an offer for sale. Even if Respondent’s statements were inadmissible in federal court, the NAF is not bound by the FRE, and should thus take Respondent’s statements into account in evaluating XM Radio’s Complaint. *Am. Int’l Group, Inc. v. Free Space Image Consultants Inc. a/k/a Mark Stever*, FA 411737 (Nat. Arb. Forum Mar. 22, 2005) (holding that the Panel was not bound by the FRE and thus need not disregard evidence of attempts at settlement in evaluating a UDRP claim).

3. XM Radio was not even aware that Respondent registered the Kyle Kennedy Domain Names until Respondent himself first contacted XM Radio via electronic mail seeking to sell <xmstations.com> for profit, and then informed XM Radio that he also registered the Kyle Kennedy Domain Names to sell for profit.<sup>5</sup> Undisputed evidence shows that Respondent registered the Kyle Kennedy Domain Names with the intent to sell, license or otherwise transfer them to XM Radio or third parties. (Respondent’s email states that “I have had many offers and I have reluctantly turned them down due to the fact that I do not want to sell to an investor, or some random company that is not the leader in XM radio”).

### **C. Respondent Has Not Shown That He Registered and Uses the Kyle Kennedy Domain Names Other Than in Bad Faith**

1. Kyle Kennedy is also unable to dispute his bad faith. Respondent had both actual and constructive knowledge of the XM<sup>®</sup> Marks when he registered the Kyle Kennedy Domain Names. Respondent’s own words demonstrate his actual knowledge of the XM<sup>®</sup> Marks, and therefore his bad faith. Respondent stated in a written solicitation to XM

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<sup>5</sup> Notably, Respondent asks the Panel to disregard his oral statements simply because they were recorded (which they were not), not because he never made those statements.

Radio that “I also know that [[xmstations.com](http://xmstations.com)] could be a valuable domain name to have point back to [www.xmradio.com](http://www.xmradio.com) or a great place to list actual XM stations,”<sup>6</sup> and then orally offered to throw in the Kyle Kennedy Domain Names as a “perk” to XM Radio for the quoted price of \$175,000 to \$200,000 and a one- or two-year subscription to XM Radio. By registering the Kyle Kennedy Domain Names and then offering them for sale, Respondent intended to make unlawful use of the XM<sup>®</sup> Marks. *Johnson & Johnson v. domains Ventures*, FA 778967 (Nat. Arb. Forum Oct. 11, 2006) (“Respondent’s effort to solicit purchase offers for the disputed domain name suggests that Respondent registered the disputed domain name with the intent to sell it. This strongly suggests bad faith registration and use pursuant to Policy ¶4(b)(i).”). Kennedy also had constructive knowledge of the XM<sup>®</sup> Marks registrations. *Yahoo! Inc. v. Butler*, FA 744444 (Nat. Arb. Forum Aug. 17, 2006) (cited in *Summit Group, LLC. v. LSO, Ltd.*, FA 758981 (Nat. Arb. Forum Sep. 14, 2006) (holding registration and use was in bad faith because respondent was “well-aware” of complainant’s YAHOO! mark when he registered the disputed domain names and had even contacted complainant about the possibility of a business partnership).

Respondent made a timely additional submission on October 19, 2006, which said (in addition to agreeing the domain names may be transferred in the transmittal email):

I released all the disputed domains on 9/14/06. You can verify this with Godaddy.com. The reason Whois still shows my name is because Godaddy will not release the domains back into the registry pool for 42 days after the cancellation request date. This is true and correct. **Since the complaint was filed after I cancelled my ownership in these domains, I did not feel I needed to dispute any of the issues for UDRP 4(a).** I did not dispute or confirm the validity UDRP 4(a), because as far as I was concerned it was not necessary since I released and cancelled my ownership of the disputed domains. She keeps referring to phone conversations (“verbal/oral statements”) that of which the content cannot be proven, in court or within this complaint. Thus, such conversations should inadmissible as evidence. Ms. Weinberg rejected my offer to transfer my domains in question, as they were offered, for \$100.00. The only proof Ms. Weinberg has that I offered my domains for sale was in an e-mail to which I offered them to her for \$100.00. She subsequently rejected. I hardly consider \$100.00 a “profit”. After this rejection, I released these domains. I reserve the right to dispute her allegations should it become necessary to do so.

I was instructed by a Go Daddy representative as to the procedure in canceling these domains. I followed these instructions and released them on 9/14/06. **These domains do not show up in my Go Daddy account anymore.** A Go Daddy representative called me and confirmed that I do not have control over these domains any longer, and that they were placing a hold on them until they hear from the NAF. This is when Go Daddy

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<sup>6</sup> The domain name [xmstations.com](http://xmstations.com), originally included in this Complaint, was subsequently transferred to Gary Kennedy, who, upon information and belief, is related to Respondent. Upon further information and belief, Respondent transferred this domain name after representing that he owned it in a bad faith attempt to avoid this Complaint.

reinstated the Whois information about these domains. This is why Ms. Weinberg thinks I am lying about my ownership of these domains. You can verify what I am stating by calling (480) 505-8877.

Ms. Weinberg keeps forgetting that the “burden of proof” is on her. Not disputing her allegations does not mean I am guilty until she has satisfied her burden of proof. That is like saying; I am right until you prove me wrong. In fact, I am innocent until she proves her statements or allegations are true and correct. The complainant has to prove the XM owns every “generic term” that could be combined with the XM mark. They have not done that. XM does not own every “generic” word that one could combine with the XMRadio mark. Xmstations is not federally registered by XM as Ms. Weinberg contends. Xm does not “by virtue of use of registration” own the term “stations” simply because they have federally registered xmradio. The issue is “stations” and not XM. Complainant has not demonstrated the general public would reasonable associate the generic term “stations” (secondary meaning, not “added matter”) with the xmradio mark. The burden of proof is on the complainant and not the respondent to prove that xmstations is confusing similar to the general public. They have not done that.

Conclusion: The burden of proof of disputing the “confusingly similar” issue is on the complainant, which there is enough question and reasonable doubt that the complainant does not possess any proprietary or common law rights to the generic term stations when combined with their xm mark. **This panel does not have to decide any issue of possible violation of UDRP 4(a) for this complaint since all the domains were released by the respondent prior to the filing of this complaint.** These domains are free and out of my control. A decision by this panel, with regard to UDRP 4(a) is not needed to reassign these domains. I give the NAF full authority to reassign the domains in question under this complaint (FA 796199) to Ms. Weinberg and XMradio. All this panel has to do is contact GoDaddy for a release their hold, and they will be released back into the registry pool where Ms. Weinberg can then register them herself. By deciding these issues, UDRP 4(a) unnecessarily, could prejudicially affect case FA 808307, which is precisely what Ms. Weinberg is attempting to accomplish. My lack of dispute here should not prejudice that case, and consequently needs to be decided by separate panels. My initial response speaks for itself, and is true and correct despite what Ms. Weinberg states. My domains are not what Ms. Weinberg covets or desires. She wants xmstations.com and xm-stations.com. She was negligent in not accepting these domains when offered for \$100.00, or registering them herself when she had the chance.

## **FINDINGS**

While the Respondent has agreed the domain names may be transferred, the Panel nevertheless makes the following findings:

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

- (3) the domain names have been registered and are being used in bad faith.

## 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 Respondent is identical or confusingly similar to a trademark or service mark in which Complainant has rights;
- (2) 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.

### **Preliminary Issue - Consolidation**

There are very few written decisions regarding consolidation, probably because such matters are determined by preliminary order. The issue is governed by UDRP ¶4(f),<sup>7</sup> which leaves the matter up to the Panel’s discretion. While the issue has been resolved by a preliminary order in this case, the Panel thought it would be appropriate to discuss this issue in its final decision to provide guidance to future panels.

Complainant filed a motion to consolidate this proceeding (involving <xmstations.info>, <xmstations.net>, <xmstations.biz>, <xmstations.org>, <xm-stations.info>, <xm-stations.net>, <xm-stations.biz>, and <xm-stations.org>) with FA 808307 (involving <xmstations.com> and <xm-stations.com>). Complainant believes Kyle Kennedy, the respondent in the current proceeding, is related to Gary Kennedy, the respondent in FA 808307. Complainant does not believe Kyle Kennedy and Gary Kennedy are the same person. Complainant believes Kyle Kennedy and Gary Kennedy conspired together against Complainant regarding these domain names because Kyle Kennedy offered to transfer the two domain names owned by Gary Kennedy (<xmstations.com> and <xm-stations.com>). The record is devoid of any evidence of whether Kyle Kennedy was Gary Kennedy’s authorized agent or simply acting on his own.

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<sup>7</sup> **Consolidation.** In the event of multiple disputes between you and a complainant, either you or the complainant may petition to consolidate the disputes before a single Administrative Panel. This petition shall be made to the first Administrative Panel appointed to hear a pending dispute between the parties. This Administrative Panel may consolidate before it any or all such disputes in its sole discretion, provided that the disputes being consolidated are governed by this Policy or a later version of this Policy adopted by ICANN.

Under Policy ¶4(f), the Policy provides that claim consolidation is acceptable “[i]n the event of multiple disputes between you and a complainant.” Respondent Kyle Kennedy contends that under a plain reading of the rule, Respondents to both proceedings must be the same entity. Of course, the second person plural (“you”) is the same as the second person singular (“you”), so relying upon this logic is not helpful. Respondent Kyle Kennedy disputes Complainant’s contention the two Respondents are the same entity or associated in any meaningful way. Respondent Kyle Kennedy contends the two Respondents are unique individuals and should each be allowed to assert their own defense. Gary Kennedy has also contested consolidation.

It is clear the two proposed respondents are two different people who live at two different addresses. To maintain the streamlined procedure of the UDRP, there should be only one respondent to a proceeding. While the parties may have acted in concert, they are not a single entity for the purposes of either the UDRP or the law. The respondent in a UDRP proceeding ***must be the record owner of the domain*** based upon the *whois* information and not some possible undisclosed agency status. Absent some kind of a partnership (which was not claimed) or several people begin listed as the joint owners of record for a domain name, the respondent must be the single person named in the *whois* record.

Gary Kennedy has requested a three-member panel in a timely manner and has submitted the requisite three-member panel filing fee. While it is certainly possible a single person panel might also be a one member of a three person panel and the two panels could deliberate concurrently, that does not seem to be necessary in this case.

The risk of inconsistent decisions was not been raised and does not seem to be an appropriate issue to be considered where a Respondent has essentially agreed the domain names may be transferred.

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

Complainant asserts rights in the XM mark through registration with the United States Patent and Trademark Office (“USPTO”) (Reg. No. 2,547,677 issued March 12, 2002). The Panel finds Complainant has established rights pursuant to Policy ¶4(a)(i). *See Vivid Universal Games v. XBNetVentures Inc.*, FA 198803 (Nat. Arb. Forum Nov. 11, 2003) (“Complainant’s federal trademark registrations establish Complainant’s rights in the BLIZZARD mark.”); *see also Men’s Wearhouse, Inc. v. Wick*, FA 117861 (Nat. Arb. Forum Sept. 16, 2002) (“Under U.S. trademark law, registered marks hold a presumption that they are inherently distinctive [or] have acquired secondary meaning.”). While Respondent argues XM is a generic term, the USPTO has found otherwise and this Panel is not in a position to second guess their judgment.

Complainant contends Respondent’s <xmstations.info>, <xmstations.net>, <xmstations.biz>, <xmstations.org>, <xm-stations.info>, <xm-stations.net>, <xm-stations.biz>, and <xm-stations.org> domain names are confusingly similar to Complainant’s mark. Respondent’s <xmstations.info>, <xmstations.biz>,

<**xmstations.org**> domain names contain Complainant’s entire XM mark (even though it is admittedly a short mark consisting of only two letters), add the generic term “stations” as well as adding a generic top-level domain (“gTLD”). The Panel finds neither the addition of generic terms, particularly those with a direct connection to the products or services provided by Complainant, nor the addition of gTLDs sufficiently distinguish domain names from established marks pursuant to Policy ¶4(a)(i). *See Marriott Int’l, Inc. v. Café au lait*, FA 93670, (Nat. Arb. Forum Mar. 13, 2000) (finding that the respondent’s domain name <marriott-hotel.com> is confusingly similar to the complainant’s MARRIOTT mark); *see also Space Imaging LLC v. Brownell*, AF-0298 (eResolution Sept. 22, 2000) (finding confusing similarity where the respondent’s domain name combines the complainant’s mark with a generic term that has an obvious relationship to the complainant’s business); *see also Rollerblade, Inc. v. McCrady*, D2000-0429 (WIPO June 25, 2000) (finding that the top level of the domain name such as “.net” or “.com” does not affect the domain name for the purpose of determining whether it is identical or confusingly similar).

Similarly, Respondent’s <**xmstations.net**>, <**xm-stations.info**>, <**xm-stations.net**>, <**xm-stations.biz**>, and <**xm-stations.org**> domain names contain Complainant’s entire XM mark, add the generic term “stations,” and punctuation (a dash). The Panel finds Respondent’s <**xmstations.net**>, <**xm-stations.info**>, <**xm-stations.net**>, <**xm-stations.biz**>, and <**xm-stations.org**> domain names are confusingly similar to Complainant’s XM mark. Previous panels have found that the addition of hyphens is irrelevant when making such a determination. *See Health Devices Corp. v. Aspen S T C*, FA 158254 (Nat. Arb. Forum July 1, 2003) (“[T]he addition of punctuation marks such as hyphens is irrelevant in the determination of confusing similarity pursuant to Policy ¶4(a)(i).”); *see also Innomed Techs., Inc. v. DRP Servs.*, FA 221171 (Nat. Arb. Forum Feb. 18, 2004) (finding that hyphens and top-level domains are irrelevant for purposes of the Policy). This Panel has reached the same conclusion in previous cases, such as *The Royal Bank of Scotland Group plc and National Westminster Bank plc v. Nikita Soloviov*, FA0609000787983 (finding the <natwest-banks.com> domain name was confusingly similar to the NATWEST trademark).

The Panel finds Policy ¶4(a)(i) satisfied.

### **Rights or Legitimate Interests**

Once Complainant makes a *prima facie* case in support of its allegations, the burden shifts to Respondent to show he has rights or legitimate interests pursuant to Policy ¶4(a)(ii). *See Do The Hustle, LLC v. Tropic Web*, D2000-0624 (WIPO Aug. 21, 2000) (holding that, where the complainant has asserted that the respondent has no rights or legitimate interests with respect to the domain name, it is incumbent on the respondent to come forward with concrete evidence rebutting this assertion because this information is “uniquely within the knowledge and control of the respondent”); *see also Clerical Med. Inv. Group Ltd. v. Clericalmedical.com*, D2000-1228 (WIPO Nov. 28, 2000) (finding that, under certain circumstances, the mere assertion by the complainant that the

respondent has no right or legitimate interest is sufficient to shift the burden of proof to the respondent to demonstrate that such a right or legitimate interest does exist).

Complainant contends Respondent is using the confusingly similar <xmstations.info>, <xmstations.net>, <xmstations.biz>, <xmstations.org>, <xm-stations.info>, <xm-stations.net>, <xm-stations.biz>, and <xm-stations.org> domain names to operate websites featuring links to various competing and non-competing commercial websites from which Respondent presumably receives referral fees. Respondent contends he is not using the domain names and has merely parked them with GoDaddy.

While Respondent undoubtedly parked the domain names with GoDaddy, he is responsible for the content he allows GoDaddy to put on his domains. Respondent could have equally well set up his own “parked” page without any inappropriate content.

Nevertheless, Respondent claims he is not using the domain names “in any way.” This makes it impossible for Respondent to be using the domain name for a *bona fide* offering of goods and/or services.

The Panel finds Respondent’s use is neither a *bona fide* offering of goods or services pursuant to Policy ¶4(c)(i) nor a legitimate non-commercial or fair use pursuant to Policy ¶4(c)(iii). *See Golden Bear Int’l, Inc. v. Kangdeock-ho*, FA 190644 (Nat. Arb. Forum Oct. 17, 2003) (“Respondent's use of a domain name confusingly similar to Complainant’s mark to divert Internet users to websites unrelated to Complainant's business does not represent a bona fide offering of goods or services under Policy ¶4(c)(i) or a legitimate noncommercial or fair use under Policy ¶4(c)(iii).”); *see also WeddingChannel.com Inc. v. Vasiliev*, FA 156716 (Nat. Arb. Forum June 12, 2003) (finding that the respondent’s use of the disputed domain name to redirect Internet users to websites unrelated to the complainant’s mark, websites where the respondent presumably receives a referral fee for each misdirected Internet user, was not a *bona fide* offering of goods or services as contemplated by the Policy).

Complainant contends Respondent is neither commonly known by the disputed domain name nor licensed to register domain names featuring Complainant’s XM mark. The Panel finds Respondent is not commonly known by the <xmstations.info>, <xmstations.net>, <xmstations.biz>, <xmstations.org>, <xm-stations.info>, <xm-stations.net>, <xm-stations.biz>, and <xm-stations.org> domain names for purposes of Policy ¶4(c)(ii). *See Ian Schrager Hotels, L.L.C. v. Taylor*, FA 173369 (Nat. Arb. Forum Sept. 25, 2003) (finding that without demonstrable evidence to support the assertion that a respondent is commonly known by a domain name, the assertion must be rejected); *see also Compagnie de Saint Gobain v. Com-Union Corp.*, D2000-0020 (WIPO Mar. 14, 2000) (finding no rights or legitimate interest where the respondent was not commonly known by the mark and never applied for a license or permission from the complainant to use the trademarked name).

While Respondent argues XM is a generic term, the USPTO has found otherwise and this Panel is not in a position to second guess their judgment. Respondent has no rights to the domain names as generic terms.

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

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

Respondent claims he is no longer the registered owner of the domain names in question, which means this element cannot be proven. While Respondent may have ordered the domain names be deleted literally on the same day as this UDRP proceeding was started, the domain names will be frozen once the UDRP proceeding is started. This means the *status quo* will be preserved until the Panel makes its ruling. The *status quo* is Respondent was the owner of the domain names.

Respondent claims the domain names no longer show up on his GoDaddy account. This is most likely true. When a UDRP proceeding is started, the Registrar institutes a “registrar lock” on the affected domain names. This prevents the domain names from being transferred and any changes being made to their domain name settings. The easiest way to implement such a restriction is for the registrar to remove the affected domain names from a respondent’s list of domain names. At that point, only the registrar may transfer the domain name (or cancel it, which is the equivalent of deleting it).

There isn’t much more for the Panel to do once Respondent offers to sell the domain names which contain someone else’s registered trademark for a couple hundred thousand dollars. This is exactly the kind of abuse the UDRP was designed to protect against.

Respondent argues Federal Rule of Evidence 408 prohibits such statements from being considered. However, the Federal Rules of Evidence do not apply to UDRP proceedings. Even if they did, the statement would still be admissible to prove bad faith (although merely offering to sell the domain name, without a price, might not be admissible).

Respondent argues he was “provoked” by Complainant’s counsel into making these intemperate statements. Perhaps that was so. It doesn’t change the fact he made them. The statements certainly suggest the domain names were acquired in bad faith (so they could be sold) and were being held in bad faith. There was a threat of a sale to a competitor, Sirius.

The Panel finds Respondent’s actions constitute a disruption of Complainant’s business and are evidence of bad faith registration and use pursuant to Policy ¶4(b)(iii). *See S. Exposure v. S. Exposure, Inc.*, FA 94864 (Nat. Arb. Forum July 18, 2000) (finding the respondent acted in bad faith by attracting Internet users to a website that competes with the complainant’s business); *see also EBAY, Inc. v. MEODesigns*, D2000-1368 (Dec. 15, 2000) (finding that the respondent registered and used the domain name <eebay.com> in

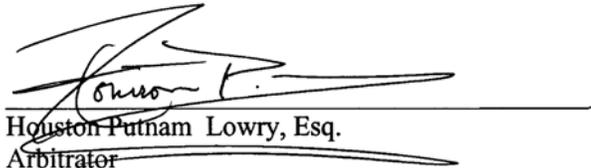
bad faith where the respondent has used the domain name to promote competing auction sites).

The Panel finds Policy ¶4(a)(iii) satisfied.

## **DECISION**

Having established all three elements required under the ICANN Policy, the Panel concludes that relief shall be **GRANTED**.

Accordingly, it is Ordered that the <xmstations.info>, <xmstations.net>, <xmstations.biz>, <xmstations.org>, <xm-stations.info>, <xm-stations.net>, <xm-stations.biz>, and <xm-stations.org> domain name be **TRANSFERRED** from Respondent to Complainant.



Houston Putnam Lowry, Esq.  
Arbitrator

Houston Putnam Lowry, Chartered Arbitrator, Panelist  
Dated: November 7, 2006