Panel Decision for dispute CAC-ADREU-005891

Case number	**CAC-ADREU-005891**
Time of filing	**2010-11-25 16:49:23**
Domain names	**redtube.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Jager & Polacek GmbH**

Respondent

Organization / Name	**Redtube, Johannes Draaisma**

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

Not aware of any other legal proceedings.

FACTUAL BACKGROUND

COMPLAINANT

In July 2006 the Complainant began to operate an adult video website known as REDTUBE (the "REDTUBE Website").

The REDTUBE Website consisted in an adult content site with a selection of symmetrical boxes, each one showing a scene from an adult video. Users were able to click on their chosen box and watch the video in question. Videos were also grouped into different categories, such as "Amateur" or "Wild & Crazy" to allow users to choose from all the videos in a certain category. Today the REDTUBE Website maintains the same general format.

Initially, the REDTUBE Website was available at www.jpds.com/redtube. In March 2007 the Complainant acquired the domain name <redtube.com> and made the REDTUBE Website available from that domain.

The Complainant, via its affiliates, has also registered or acquired 145 domain names containing the term REDTUBE, which are currently pointing to the REDTUBE Website. It appears from that list that:

- Most of those 145 domain names are country code Top Level Domains (ccTLDs);

- Some are Top Level Domains (gTLDs) but most of these gTLDs are either under another name than <redtube> (such as <redtubegermany.com> or <redtube.jpn.com>, or defensive registrations (such as <redtuube.com>);

- As far as <redtube> is concerned, only the following gTLDs are registered by the Complainant: .org, .com;

The Complainant appears to have been very successful with its site, with over 250 million visits in total during the course of October 2010 and over 1 billion pages viewed. The Complainant also contends that it ranks currently as the 113th most popular website in the world.

When the Complainant launched its website in 2006, the Complainant had no registered REDTUBE trade mark. It subsequently filed an international trade mark for the word REDTUBE in respect of which it has a registration date of 22 April 2009 and claims a priority date based on a earlier US trade mark of 31 October 2008. The international registration is enforceable, either totally or partially, in several

member states of the European Union including the country where respondent resides. A copy of registration is produced and is apparently valid.

RESPONDENT

The domain name in issue in these proceedings (the “Domain Name”) was registered in May 2007. The Respondent is not the original registrant of the Domain Name and apparently it was registered by someone with no connection to this case.

There appears to have been a change in registration details for the Domain Name in January 2008 when it was registered in the name of an individual with an address in Poland (hereafter “VB”).

It was further transferred in October 2010 from VB to the Respondent, who appears to be an individual with an address in the Netherlands.

The Respondent contends that VB is a different individual who registered the domain name in his own name but on behalf of him.

Whether VB and the Respondent is one and same person is unclear, but both parties agree on the fact that there is a very close connection between them. As a matter of fact, when the Complainant was first contacted in March 2009 (see below) the Domain Name was formally registered in the name of VB.

The Domain Name has been effectively used very quickly after VB obtained it (March 2008), for a website working on similar basis as the Complainant’s one, i.e. adult video content with thumbnails, categories, teasing material, etc.

CONTACTS BETWEEN PARTIES

On 24 March 2009, an email titled "can sell you www.redtube.eu" was sent to the contact details on the REDTUBE Website saying: "We saw you purchased redtube.in and retube.to websites and redirected them to your domain. I am the owner of www.redtube.eu, we are open for suggestions if you are insterested" [sic].

Further to a reply enquiring what the asking price would be, the following response was received:

"I am not sure if this price for you is big or small, our minimal reserve amount is $100,000. I am sorry, but we cannot sell it cheaper, because website is growing every day same with our daily revenue. For example yesterday we received 44,311 unique visitors. We are planning to put it in Sedo. Thanks. [signed: VB]".

On 5 July 2010 the Complainant sent a cease and desist letter to VB, via one of its affiliates, Bright Imperial Limited.

On 14 July 2010, a response was received from VB's lawyer in Lithuania, who confirmed that VB had bought the domain name in an internet auction on 29 January 2008. The lawyer stated that, whilst his client was prepared to transfer the Domain Name, in practice he was unable to do this as he was holding it on behalf of the Respondent and that any further correspondence should thus be addressed to the Respondent.

On 11 August 2010 the Complainant’s affiliate’s US lawyers wrote to the Respondent asking for the transfer of both the Domain Name and another domain name, <redtubeforum.com>, which had also been registered in the name of VB on 2 September 2008.

On 19 August 2010 the Respondent replied agreeing to transfer <redtubeforum.com> but refusing to transfer the Domain Name due to his significant investment in the corresponding website. In particular he asserted that:

“I understand your concern but please try to understand me – I’ve bought domain when the redtube.com was not that well known as it might be today. When I bought the <redtube.eu> domain on 29 of January 2008 (the domain itself was registered on 19 of May 2007) there were no international REDTUBE trade[]mark registered. This itself illustrates that your request does stand on disputable ground."

On 27 August 2010, further to a request asking what kind of amount he would consider transferring the Domain Name for, the Respondent replied that he had so far incurred costs of around US$220,000. The Complainant's affiliate’s lawyers replied on 8 September 2010 explaining that:

"In fact, our client's main objection to your site stems from the fact that you have generated your success and income by using the

Redtube brand--a brand that was built by our client's efforts. While the <redtube.com> site has certainly gained further popularity since then, in January 2008, when you first began running your site, <redtube.com> was already getting around 30 million page views per day. It's clear that the <redtube.eu> website has succeeded by diverting users looking for our client's site."

However in order to settle the matter, the sum of US $10,000 was proposed to the Respondent. On 20 September 2010 the Respondent replied refusing this offer and asking to revert to his previous proposal.

A. COMPLAINANT

The Complainant contends that the Domain Name is identical to his trade mark and asserts that the fact that panellists have consistently held that the adjunction of the "www" prefix and the Top Level Domain (TLD) suffix are not distinguishing.

The Complainant contents that the Domain Name has been registered by its holder without rights or legitimate interests and notably underlines that:

- The Respondent has no Community or International trade mark rights in the term REDTUBE;

- The Respondent has never been authorized or otherwise licensed or permitted by the Complainant to use any of its trade marks;

- Prior to any notice of the dispute, the Respondent has not used the Domain Name in connection with the offering of goods or services. In the Complainant's view, the fact that the Respondent was using the Domain Name to point towards a website offering adult video services is not relevant because "such services cannot be described as genuine, given that they are clearly calculated to misappropriate and trade off the Complainant's goodwill in the REDTUBE brand, a brand which has gained worldwide fame and notoriety as a result of the efforts of the Complainant and its affiliates. As outlined above, the Respondent's website has the same look and feel as the REDTUBE Website, which cannot be mere coincidence, especially given the distinctiveness of the REDTUBE brand";

- Even in January 2008 the REDTUBE Website was very well known and received around 30 million page views per day (or an average of almost 4 million individual hits), with almost 50% of visitors originating from Europe. The Respondent must therefore have been well aware of the Complainant's brand at the time when he acquired the Domain Name, and its use in the same field was (and still is) calculated to capitalise on this;

- The Respondent has not been commonly known by the Domain Name;

- The Respondent is not making a legitimate and non-commercial or fair use of the Domain Name, without intent to mislead consumers or harm the reputation of a name in which a right is recognized or established by national law and/or Community law. Notably, use is not legitimate because the Complainant's site is one of the most famous one and classified as "fast" whilst the Respondent's site is less famous and classified as "very slow". Also, use is clearly commercial and unfair since "fair use" generally applies to fan or criticism websites, and is thus not relevant in this particular case.

The Complainant contends that the Domain Name should be considered as having been registered or being used in bad faith, notably because of the following reasons:

- Strictly speaking, the registration date is the date that the Domain Name came into the legal ownership of the Respondent, namely 6 October 2010, at which point the Respondent's knowledge of the REDTUBE brand is not in dispute. Even if the date that the Domain Name apparently came into the beneficial ownership of the Respondent is taken into account, namely 29 January 2008 (although it is submitted that this should not be the case) it is clear that the Respondent was well aware of the reputation of the REDTUBE brand at this time;

- The Domain Name was first used to point to an adult video website in March 2008, over 18 months after the Complainant first set up the REDTUBE Website in July 2006. The REDTUBE Website has always had a very distinctive look and feel, and it is significant that the Domain Name was (and still is) being used to point towards a site that replicates this exact same look and feel, with the symmetrical box layout and the grouping of videos into different categories;

- The Domain Name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name, as shown by (A) the unsolicited email sent by VB on 24 March 2009, titled "can sell you www.redtube.eu" and saying: "I am the owner of www.redtube.eu, we are open for suggestions if you are insterested" [sic], and (B) the fact the Domain Name was transferred into the name of the Respondent on 6 October 2010, just over two weeks after the Respondent's last correspondence with the Complainant's lawyers, in which he requested compensation of around US$220,000 in exchange for transfer of the Domain Name;

- The Domain Name has been registered in order to prevent the holder of a protected name from reflecting this name in a corresponding domain name;

- The Domain Name was registered primarily for the purpose of disrupting the professional activities of a competitor with the circumstance that the Respondent's website purports to be operated under the REDTUBE brand, a brand which has been built up by the Complainant and its affiliates since 2006, and which the Respondent has no right to use;

- The Domain Name was intentionally used to attract Internet users, for commercial gain to the Respondent's website or other on-line location, by creating a likelihood of confusion with the Complainant's trade mark, as evidenced by the look and feel of the Respondent's website and the competing services on offer.

B. RESPONDENT

The Respondent claims that there is no clear evidence of any valid trade mark owned by the Complainant and/or its affiliate company.

The Respondent also contends that no one can prove its bad faith since neither in May 2007 (the day the Domain Name was first registered), nor in January 2008 (when VB acquired it) was there any trade mark registered in the name of the Complainant. The Respondent states that "I have checked all possible at the time public trade[]mark databases and none of them proved any existence of protected brand name and/or trademark";

The Respondent asserts that the word 'REDTUBE' itself combines two separate words: (A) RED "which is derived from the symbolic link to the public house (brothel)" and (B) TUBE which refer to websites offering video content.

Also, the Respondent claims that at the time of "registration" (the specific date is not identified but this appears to be a reference to 28 January 2008) "several identical or similar domain names were in development at one and the same time which all of them have their own legal ground of existence". The Dutch domain name and website <redtube.nl> is given as an example which is said to have been running on 29 January 2008 and still to be operating to this day.

As to the similarity of the Complainant's and the Respondent's websites, the Respondent contends that:

- The similar look and feel is shared by a large number of pornographic sites;

- The sites are similar but not identical (for example, "redtube.eu" provides an additional member community service);

The alleged difference in speed between the two sites is of no real significance since most users will not notice that difference.

The Respondent contends that the Domain Name generated traffic only as a result of its investment in terms of money, time and knowledge, and that statistics confirm that this is the case.

Finally, the Respondent claims that the Complainant waited for "several years" until "redtube.eu" gained popularity among its' members, before filing a complaint in order to get the Domain Name and consequently the fruits of Respondent work, investment and knowledge.

DISCUSSION AND FINDINGS

WHAT NEEDS TO BE SHOWN

In order to succeed in its Complaint, the Complainant must satisfy the requirements of Article 21(1) of the Commission Regulation (EC) No. 874/2004 (the "Regulation"). That paragraph reads as follows:

"A registered domain name shall be subject to revocation, using an appropriate extra-judicial or judicial procedure, where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law, such as the rights mentioned in Article 10(1), and where it:

(a) has been registered by its holder without rights or legitimate interest in the name; or

(b) has been registered or is being used in bad faith"

Article 21(2) and (3) contain a list of non-exhaustive examples of circumstances which may demonstrate the existence of a legitimate interest within the meaning of Article 21(1)(a) and of bad faith within the meaning of Article 21(1)(b).

The Panel will address each of these requirements in turn. However, before it does so it addresses the question as to what is the relevant date of registration of the Domain Name in this case.

THE DATE OF REGISTRATION

As a preliminary point the Panel considers it helpful to briefly comment on the significance or otherwise of the fact that the formal registration details for the Domain Name appeared to have only changed into the name of the Respondent in October 2010. The Complainant contends that the general approach adopted by panellists under the UDRP is that this counts as a fresh registration for the purposes of the Policy and that there is no good reason to apply a different approach so far as the Regulation is concerned.

As a statement that may well be correct, but the Panel is of the view that this of limited practical or legal significance in the circumstances of this case. It does not appear to be disputed that essentially the same sort of website has operated from the Domain Name since it was formally registered in the name of VB in January 2008.

Where a person merely carries on an activity that he has always done, the intervention of a formal fresh registration is unlikely to be significant. If the activity prior to that registration was legitimate, the Panel is unconvinced that the mere fact that a formal new registration has intervened turns that activity into an illegitimate one.

It is also important to recognise that so far as the UDRP is concerned, (and leaving aside the recent controversial Octogen line of case law) there is a requirement of bad faith registration as well as bad faith use. Therefore, under the UDRP there may be no remedy available where the use changes from a bona fide one to a bad faith one after the domain name has been registered. In such circumstances, determining when exactly a relevant registration took place may be crucially important.

However, no such difficult arises under the relevant Regulations that apply to .eu domain names. Only bad faith registration or use needs to be shown. So if a domain name owner changes his use of the domain name from one that is legitimate to one that intends to take advantage of the rights of others, then he risks losing that domain.

Of course, that somewhat begs the question what is “illegitimate use”. It is quite possible that a person who registers and uses a domain name quite innocently, may suddenly find that he gains more traffic to his site because subsequently another person comes along who develops a reputation in a term that is embodied in his domain name. Is that “windfall” illegitimate for the purposes of the “.eu” ADR? This is not the first system to have had to address that question. Similar questions have arisen in systems such as the Nominet ADR process that applies to “.co.uk” domain names. The Panel notes that under the Nominet system the prevailing view appears to be that provided that there is merely a continuation of a pre-existing use then the domain name does not by reason of such a windfall become illegitimate. It is an approach that the Panel also considers to be the right one under the Regulation.

With this in mind, even though the relevant registration date in this case is likely to be October 2010, in the opinion of the Panel what is important in considering whether the Respondent had a right or legitimate interests at the date of registration and whether there has been registration or use in bad faith, is the Respondent’s knowledge and motives when the Domain Name was first used for a pornography related website in January 2008

IDENTITY / SIMILARITY

As far as the first condition is concerned, the Complainant need only show rights in a name in respect of which a right is recognised or established by national and/or Community law, at the date of the filing of the Complaint.

As far as the identical nature of the Domain Name to the REDTUBE trade marks is concerned, panellists have consistently held that the adjunction of the "www" prefix and the Top Level Domain (TLD) suffix are not distinguishing (see ADR Panel Decision No. 1693 – GASTROJOBS, ADR Panel decision No. 283 – LASTMINUTE, ADR Panel decision No. 2035 – WAREMA and ADR Panel decision No. 387 - GNC), and nor is the fact that the Domain Name employs lower case letters, whilst the trade mark is usually in upper case letters or a mixture of two.

The Complainant has, therefore satisfied the requirement of showing that the Domain Name is identical or confusingly similar to a name in respect of which a right is recog-nised or established by national and/or Community law.

ABSENCE OF RIGHT OR LEGITIMATE INTEREST

Given the Panel's finding on the question of bad faith below, there is no need to consider the question whether the Domain Name has been registered by the Respondent without rights or legitimate interest in the name.

BAD FAITH REGISTRATION OR USE

In the Panel's view, even if there was no protected right in the name of Complainant at the time of registration with the consequence that Respondent could register the domain name without breaching the right/legitimate interest test, there can still be bad faith case if:

- The term, although not protected by a registered trade mark, was already used by Complainant in a trade mark sense (i.e. in a non-descriptive and non-generic sense to refer to the origin of the relevant services); and

- Respondent was aware of such use; and

- Respondent sought by reason of the registration to take unfair advantage of that non-descriptive and non-generic term.

Was the term, although not protected by a trade mark, already used by Complainant in a non-descriptive and non-generic sense?

The Panel concludes that the evidence before it does support that conclusion. The Panel accepts that the Respondent is right when he claims that the term 'redtube' can be understood as alluding to the content of the Complainant's website. However, many terms that are used in a trade mark sense make similar allusions and yet it does not follow that they cannot operate as trade marks. The term "redtube" is not purely generic or descriptive in the sense that, for example, "pornographic-videos-on-the-internet" might be.

In short, the term REDTUBE is one that is not so devoid of distinctive character that it is incapable of operating as a trade mark. The Panel notes that this also appears to have been the view of the various European trade mark registries that subsequently accepted the Complainant's international registration for that term.

Further, the evidence provided by the Complainant suggests that the term REDTUBE was being used in a trade mark sense by the Complainant in January 2008. In particular the Complainant provides evidence of what its own website looked like at that time. Not only was the Complainant using the domain name <redtube.com> for that website but the term "REDTUBE" appears prominently on the page in a way that can only sensibly be understood as the name of the site rather than merely descriptive of its content.

However, that still leave the questions whether in January 2008 the Respondent knew of that trade mark use by the Complainant and whether he intended to take advantage of that use. This is the issue that the Panel has found most difficult and in respect of which all the members of the Panel have not been able to reach agreement. However, but on the balance of probabilities the majority of the Panel concludes that the Complainant has made out its case in this respect. The reasons for this are as follows.

The Complainant has brought forward credible evidence that as at January 2008 it had already developed a significant reputation in Europe for its website. There is evidence before the Panel that at this date the complainant was receiving 30 million page views a day and that almost 50% of the visitors to that site came from Europe.

Further the term "redtube" although it can be seen as alluding to the services provided, is far from an obvious choice of words to use for a website that promotes pornographic content. The obvious question that calls to be answered in these circumstances is, why did the Respondent choose that particular combination of words rather than any other?

The allegation of the Complainant in this respect is crystal clear. It contends that the only reason why the name was chosen was because of its associations with the Complainant. Tellingly, the Respondent does not really address that allegation in his Response. There are references to claimed uses by others and allegations as to the alleged descriptive nature of the term, but there is a failure directly to address the Respondent's own motives for registration.

The Respondent does appear to be claiming that others were using the term "redtube" at that time. No evidence is brought forward in this respect. But even assuming that is the case, in the opinion of the majority of the Panel this fact alone is of limited assistance to the Respondent. If the Respondent had brought forward evidence that in January 2008 these other uses were so widespread that generally the term "redtube" was one that was in common use and that 30 million page views for a website that used that term was not uncommon and this were then combined with an unequivocal denial that it was with the Complainant use of the term in mind that the Respondent chose this name, then the decision of the Panel on this issue may well have been different. But the Response gets nowhere

near to putting forward a case on that basis, let alone one that the Panel can accept as being more likely than the competing contentions of the Complainant.

Further, the Respondent appears to claim (the wording is slightly ambiguous in this respect) that he conducted a trade mark search in January 2008. Perhaps he did and the Panel is even prepared to assume that as a result of that search he honestly believed that it was legitimate to register the Domain Name as a result. However, if the intent was still to take advantage of the reputation in that term built up by the Complainant, this does not provide a valid defence to a finding of bad faith in these proceedings.

Last but not least, there is the offer of the Domain Name to the Complainant. One must be careful not to read too much into such an offer. If a domain name registrant registers a domain name legitimately, it does not necessarily follow from an offer of sale that it was with such an offer in mind that the domain name was initially registered or used.

However, the offer in this case is frankly odd. If as the Respondent contends it had independently registered the “redtube” term and at considerable effort and expense it had built up a business using the Domain Name, why did it suddenly make an unsolicited approach to the Complainant to sell the Domain Name? Again it is a question that cries out to be answered. Again the Complainant’s position in this respect is reasonably clear; i.e. it claims that it is a factor that points to bad faith registration or use. Again the Respondent simply fails to address the issue. In the absence of any such explanation, the Panel accepts that it is another factor that points to a finding of bad faith use and registration.

In the circumstances a majority of the Panel finds that the Complainant has shown that the Domain Name has been registered and used in bad faith.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that

the domain name REDTUBE be transferred to the Complainant.

PANELISTS

Name	**Matthew Stuart Harris**

DATE OF PANEL DECISION 2011-02-15

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

In the Panel’s view, even if there was no protected right in the name of Complainant at the time of registration with the consequence that Respondent could register the domain name without breaching the right/legitimate interest test, there can still be bad faith case if:

- The term, although not protected by a registered trade mark, was already used by Complainant in a trade mark sense (i.e. in a non-descriptive and non-generic sense to refer to the origin of the relevant services); and

- Respondent was aware of such use; and

- Respondent sought by reason of the registration to take unfair advantage of that non-descriptive and non-generic term.

In the circumstances of this case, a majority of the Panel finds that the Complainant has shown that the Domain Name has been registered and used in bad faith.

Notably, the Respondent proactively contacted Complainant with an offer to sell. One must be careful not to read too much into such an offer. If a domain name registrant registers a domain name legitimately, it does not necessarily follow from an offer of sale that it was with such an offer in mind that the domain name was initially registered or used. However, the offer in this case is frankly odd.