

**NATIONAL
ARBITRATION
FORUM**

NATIONAL ARBITRATION FORUM

DECISION

American Express Company v. Amexsux.com
Claim Number: FA0410000356410

PARTIES

Complainant is **American Express Company** (“Complainant”), represented by **Dianne K. Cahill**, of **American Express Company**, 200 Vesey Street, 49th Floor, New York, NY 10285. Respondent is **ameXsuX.com** (“Respondent”), P.O. Box 7604, Mesa, AZ 85216-7604.

REGISTRAR AND DISPUTED DOMAIN NAME

The domain name at issue is <**amexsux.com**>, registered with **Tucows 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.

Terry F. Peppard as Panelist.

PROCEDURAL HISTORY

Complainant submitted a Complaint to the National Arbitration Forum electronically on October 29, 2004; the National Arbitration Forum received a hard copy of the Complaint on November 1, 2004.

On October 29, 2004, Tucows Inc. confirmed by e-mail to the National Arbitration Forum that the domain name <**amexsux.com**> is registered with Tucows Inc. and that the Respondent is the current registrant of the name. Tucows Inc. has verified that Respondent is bound by the Tucows 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 November 3, 2004, a Notification of Complaint and Commencement of Administrative Proceeding (the “Commencement Notification”), setting a deadline of

November 23, 2004 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@amexsux.com by e-mail.

A timely Response was received and determined to be complete on November 22, 2004.

Complainant filed an Additional Submission as of November 30, 2004. Receipt of that Additional Submission was not timely in conformity with Supplemental Rule 7, and, for that reason, would not ordinarily be considered. However, Respondent elected to file an Additional Submission in response to Complainant's late filing. For that reason, and, because both additional submissions contain information useful to this decision, both additional submissions have been considered.

On December 8, 2004, pursuant to Complainant's request to have the dispute decided by a single-member Panel, the National Arbitration Forum appointed Terry F. Peppard as Panelist in this proceeding.

On December 16, 2004, the Panelist issued an Order Extending Time for Rendering Decision, establishing the date for issuing this decision as December 27, 2004.

RELIEF SOUGHT

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

PARTIES' CONTENTIONS

A. Complainant

Complainant contends, among other things:

that it owns more than 160 trademark registrations for the mark AMEX in 83 countries;

that it began using the mark AMEX in 1969 to identify a variety of financial and travel related services, and that it annually spends more than \$1 billion USD to advertise its services under that mark worldwide;

that the mark AMEX has over many years become a commonly used acronym for American Express Company, so that AMEX is today synonymous with American Express;

that, although there is no affiliation between Complainant and Respondent, the disputed domain name, <amexsux.com>, is sufficiently similar to Complainant's mark that Internet search engines will routinely list Respondent's offending domain name and website in response to a search for Complainant's mark;

that Respondent intends to divert potential customers of Complainant to Respondent's website by the use of the disputed domain name, and that registration and use of that domain name results in both consumer confusion as to the source of that site and tarnishment of Complainant's mark;

that Respondent has not obtained registration nor filed an application to register either of the marks AMEX or AMEXSUX;

that although Respondent is free to comment publicly on Complainant's services, including by doing so on the Internet, such right does not extend to use of a domain name identical or confusingly similar to its mark;

that the fair use doctrine does not apply to this case because Respondent's website not only contains material critical of Complainant, but also offers for sale merchandise, including tee-shirts, boxer shorts, mugs, baseball caps and bumper stickers bearing the legend "amexsux," so that Respondent cannot claim that its site constitutes genuine non-commercial use of the disputed domain name;

that Respondent had notice of Complainant's famous mark when it undertook to launch its website using the disputed domain name, and that it did so intentionally and in bad faith in order to capitalize on Complainant's good will; and

that, as further evidence of bad faith, Respondent's website hosts postings by third parties to advertise for clients, including one soliciting possible plaintiffs in a class action lawsuit against Complainant.

B. Respondent

Respondent contends, among other things:

that the Respondent is the sole owner of the subject domain name and webmaster for its associated website;

that the subject site is maintained as a public service to facilitate discussion, criticism or defense of Complainant;

that the public response to this site is such that it has, as of November 2004, received more than 290,000 visitors and 19,000 postings;

that Respondent has implemented safeguards to ensure that the disputed domain name never causes any confusion that it might be associated with American Express Company, including that the banner at the top of the home page declares as follows -- "This website is not part of American Express. To visit American Express go to <http://www.american express.com>"; while a legend at the bottom of each page of the same site recites as follows -- "This web site is not affiliated with American Express."

that, although Respondent began offering merchandise for sale on the subject website in July of 2004, this undertaking was terminated on November 3, 2004, because, in the intervening period, the sale of offered merchandise resulted in commissions due to Respondent of only \$5.00, which sum is uncollectible owing to the threshold payment policies of its online sales agent;

that the Complaint in this proceeding admits that, because of the inclusion of the pejorative term “sux” to the disputed domain name, Internet “users, including potential customers of Complainant, are not likely to conclude that Complainant is the sponsor of the identified website...”;

that Respondent has never made any attempt to sell the disputed domain name to Complainant or any other person; and,

that Complainant’s motive in bringing this proceeding is not, as it alleges, to protect its mark, but rather to stifle protected speech.

C. Additional Submissions

Complainant additionally contends, among other things:

that, while Respondent has the right to criticize Complainant on the Internet, that right does not extend to doing so while selling merchandise and collecting information for use in a class action lawsuit against Complainant for financial gain by means of the disputed domain name;

that the identity safeguards on Respondent’s website are insufficient to mitigate adequately the initial confusion caused to Internet users who visit the site;

that, even if Respondent’s profits from the sale of merchandise on its website may have been minimal, the site has nonetheless been used for the purpose of producing commercial gain; and

that further evidence of Respondent’s bad faith registration of the disputed domain name is found in the fact that its WHOIS registration contact information is false, so that a mailing of a copy of the Complaint herein to Respondent was returned by the postal service as “undeliverable” and with the further notation that service was “attempted, [addressee] not known.”

Respondent additionally contends, among other things:

that Respondent has no intention of ever again selling merchandise on the subject website;

that it must be obvious to any observer from Respondent’s inclusion of the term “sux” in the disputed domain name that its use of the subject website is intended exclusively as a vehicle for permitted fair use criticism of Complainant;

that the objective of the class action lawsuit referenced in Respondent's website is not to produce commercial gain, but rather only to recover financial planning fees paid to Complainant by customers like Respondent and to rescind associated financial planning contracts; and

that the only reason why a mailing of the Complaint in this proceeding to the attention of Respondent was returned as undeliverable is that Respondent inadvertently failed to keep its WHOIS contact information current after an address change.

FINDINGS

- (1) The domain name registered and used by Respondent is neither identical nor confusingly similar to the trademark in which Complainant has rights.
- (2) Respondent has substantial rights or legitimate interests in respect of the disputed domain name.
- (3) The subject domain name has been registered and used in bad faith.

Accordingly, Complainant cannot prevail in this proceeding.

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:

- the domain name registered by the Respondent is identical or confusingly similar to a trademark or service mark in which the Complainant has rights;
- the Respondent has no rights or legitimate interests in respect of the domain name; and
- the domain name has been registered and is being used in bad faith.

Identical and/or Confusingly Similar

Complainant has widely registered its well-known mark, and it is firmly established that such registration creates a presumption that the mark is inherently distinctive and has acquired secondary meaning. *See, e.g., Men's Warehouse, Inc. v. Wick*, FA 117861 (Nat. Arb. Forum, Sep. 16, 2002). Respondent has the burden of refuting this presumption. *See Janus Int'l Holding Co. v. Rademacher* D2002-0201 (WIPO Oct. 3, 2002). This Respondent has failed to do.

The only thing that distinguishes Complainant's mark from the disputed domain name is the addition by Respondent of the pejorative suffix "sux" to that name (the suffix "sux," taken in context, can only be understood to be a colloquial diminutive of the English slang term "sucks.") Because of the presence of this suffix, Complainant's mark and the disputed domain name are not identical. A question remains however, as to whether they are confusingly similar within the meaning of Policy ¶ 4(a)(i).

There is some authority for the proposition that appending such a pejorative term to a domain name does not defeat a claim of confusing similarity. See, e.g.: *Full Sail, Inc. v. Spevack*, D2003-0502 (WIPO Oct. 3, 2003), and cases cited therein. However, those authorities that subscribe to this view make clear that the issue is highly fact-specific and often turns on such factors as the intent of the respondent. On the peculiar facts here presented, it cannot be fairly said that the Internet public is likely to be confused by Respondent's use of the disputed domain name. The name itself unmistakably indicates that it is intended not to suggest affiliation with Complainant, but rather to serve as a platform for public criticism of the mark holder. See, e.g., *Robo Enter., Inc. v. Tobiason*, FA 95857 (Nat. Arb. Forum Dec. 24, 2000); see also *E. & J. Gallo Winery v. Hanna Law Firm*, D2000-0615 (WIPO Aug. 3, 2000).

Moreover, any Internet user who inadvertently calls up Respondent's website quickly meets banners on each page plainly reciting the lack of affiliation. Thus any doubt as to Respondent's intentions is properly resolved against Complainant on this issue.

For these reasons, Complainant has not met its burden of proof as to Policy ¶ 4(a)(i).

Rights or Legitimate Interests

Policy ¶ 4(c) of the Policy recites three nonexclusive means by which a fact-finder may assess the question whether Respondent has any rights or legitimate interests in respect of the disputed domain name. One of these (¶ 4(c)(ii)) inquires whether Respondent has been commonly known by the subject domain name. That element has no application here. Another subpart (¶ 4(c)(i)) inquires whether Respondent has used the subject domain name in connection with a bona fide offering of goods or services. That element is of interest because there is evidence that, for a time, Respondent offered for sale on its website merchandise, including tee-shirts, boxer shorts, mugs, baseball caps and bumper stickers, bearing the legend "amexsux."

Notably, the language of ¶ 4(c)(i) speaks to the timeframe before Respondent had notice of the pending proceeding. In this instance, it is undisputed that Respondent commenced commercial sale of merchandise on its website in July of 2004, and that this proceeding was commenced months later. Complainant does not argue that Respondent's offering of such goods was other than bona fide within the meaning of the Policy. It therefore appears that Respondent may find comfort under Policy ¶ 4(c)(i).

This conclusion could, and, in other circumstances, would end inquiry under ¶ 4(c). However, Respondent has both ceased its commercial activity on the subject website and

disavowed any intention to return to it. In addition, Respondent insists that its primary (and now exclusive) purpose in operating that website has at all times been to exercise its “fair use” right to criticize Complainant. The parties have therefore invested in an extended discussion of the applicability of the remaining subpart of Policy ¶ 4(c), that being ¶ 4(c)(iii). The focus of that subpart is whether Respondent is making legitimate noncommercial or fair use of the domain name, without intent for commercial gain either to divert consumers from trafficking with Complainant or to tarnish Complainant’s mark.

Under this heading, timing is important, because the language of the drafters is in the present tense (“You are making...”). This suggests that Respondent’s ability to take shelter under Policy ¶ 4(c)(iii) is dependent upon the circumstances existing as of the time of filing of the Complaint. The facts before this Panelist demonstrate that, for months leading up to the date of filing of the Complaint, Respondent was actively engaged in commercial use of the website associated with the disputed domain name. That his efforts were ultimately unsuccessful does not change this. Respondent was a marketer, even if an ineffective one. The same is true of Respondent’s assertion that it no longer uses the subject site to attempt to sell merchandise to the Internet public. If it was so engaged on the date of filing, its commercial intent is fixed at that point in time, and it matters not that Respondent changed its mind soon after this Complaint was filed.

Nonetheless, an inquiry into Respondent’s “intent” does not end with a determination that it was, at least in part, commercial in character. Rather, under the language of Policy ¶ 4(c)(iii), it must also be determined whether that intent was to “misleadingly divert consumers or to tarnish the trademark or service mark at issue.” If Respondent did entertain such a malevolent intent, it can find no shelter under Policy ¶ 4(c)(iii).

It may be noted in this connection that Policy ¶ 4(c)(iii) evidently contemplates a species of fair use which may have a profit-making motive but is still permissible, so long as the prescribed ill motive is not present, the critical determinant being whether the scrutinized activity is aimed at diminishing the mark holder’s potential revenues or asset values.

It is also important, therefore, to reflect that while Complainant sells financial and travel services, Respondent’s fleeting and ill-fated commercial venture involved the marketing of such items as tee-shirts, boxer shorts, mugs, baseball caps and bumper stickers. This being so, it is difficult to imagine a meaningful sense in which it might be said that Respondent was, even if only briefly and ineffectually, in the business of diverting Complainant’s customers. Moreover, inasmuch as Respondent’s wares were both dramatically different from those of Complainant’s and targeted at a unique audience (i.e., those disaffected with Complainant), it is likewise difficult to imagine that Respondent’s intent was to tarnish Complainant’s mark. Rather, having in mind that all of Respondent’s goods bore the legend “amexsux,” Respondent’s driving motive appears to have been to publish critiques of an enterprise whose image had, in Respondent’s view, already been tarnished by Complainant’s marketplace behavior (whether or not that view was at all justified).

Finally, Complainant argues that Respondent's hosting of materials on its site aimed at recruiting possible plaintiffs for a class action lawsuit against Complainant is evidence that Respondent used the disputed domain name for commercial gain in contravention of the strictures implicit in Policy ¶ 4(c)(iii). Respondent, in its defense, contends that the object of Respondent's owner in posting the allegedly offending materials was not to acquire commercial gain, but merely to recover through the legal system, for itself and others, professional fees paid to Complainant in connection with its financial services business.

Complainant's argument on this point is unpersuasive for two reasons. First, legal action to recover financial restitution cannot fairly be said to constitute an attempt to procure "commercial gain" within the meaning of the Policy. Secondly, hosting information about a publicly filed legal action is in the nature of fair use free speech permitted under Policy ¶ 4(c)(iii). *See, e.g., Geobra Brandstätter GmbH v. Only Kids Inc.* D2001-0841 (WIPO Sep. 20, 2001; *see also Navigator Yachts, Inc. v. TD Curran*, FA 226452 (Nat. Arb. Forum Mar. 4, 2004).

For all of these reasons, Respondent's right of fair use prevails. Complainant has therefore failed to establish that Respondent has no legitimate rights or interests in respect of the disputed domain name.

Registration and Use in Bad Faith

In order to satisfy the requirements of the final prong of Policy ¶ 4(a), (subpart 4(a)(iii)) Complainant must demonstrate that Respondent has both registered and is using the disputed domain name in bad faith. A finding of either bad faith registration or bad faith use, without the other, will not suffice.

Policy ¶ 4(b) sets out four possible bases upon which a fact-finder might evaluate the question of bad faith registration and use of a contested domain name. None of those possible bases is squarely addressed in the facts here presented. However, the recitations of Policy ¶ 4(b) are declared in the Policy to be non-exclusive. A fact-finder may, therefore, inquire into other grounds upon which bad faith might be established. Pertinent examples include those addressed below.

Complainant's mark is well known and has been widely registered around the world. It has often been held that longstanding and extensive use and widespread registration of a complainant's mark may be taken as evidence that a respondent must have known of that mark when its offending domain name was created. *See Dell Computer Corp. v. MTO C.A.*, D2002-0363 (WIPO Jul. 5, 2002); *Pfizer, Inc. v. Sangwoo Cha*, D2003-0256 (WIPO Jun. 19, 2003). This is sufficient to establish that Respondent registered the subject domain name in bad faith.

Further inquiry is required to determine whether Respondent has also used the same domain name in bad faith. Evidence on this point includes Respondent's failure to keep current its WHOIS contact information through the date of filing of the Complaint in this

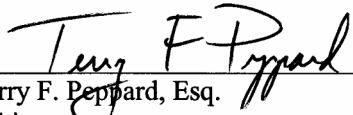
proceeding. *See Land Sachsen-Anhalt v. Skander Bouhaouala*, D2002-0273 (WIPO Jul. 8, 2002). Likewise relevant is Respondent's use of the subject domain name to offer commercial merchandise for sale on a site ostensibly devoted exclusively to critical fair use, coupled with the guilty knowledge implicit in Respondent's abrupt cessation of that commercial activity immediately upon the filing of the instant Complaint.

It must be concluded, therefore, that Respondent has both registered and used the subject domain name in bad faith.

DECISION

The facts before this Panelist demonstrate that Respondent has behaved badly in its registration and use of the disputed domain name. However, bad faith on the part of Respondent is but one of three distinct elements of proof that Complainant must establish in order to prevail in this proceeding. Complainant having failed to establish two of the three essential elements required to be proven under the ICANN Policy, the relief requested must be, and it is, therefore,

DENIED.



Terry F. Peppard, Esq.
Arbitrator

Terry F. Peppard, Panelist
Dated: December 27, 2004