Nominet UK Dispute Resolution Service

DRS Number 4149

Playboy Enterprises International, Inc. v Trevor Hughes

Decision of Independent Expert

1. Parties

Complainant: Playboy Enterprises International, Inc.
Address: 680 North Lake Shore Drive, Chicago, Illinois
Postcode: 60611
Country: US

Respondent: Trevor Hughes
Address: Lowestoft, Suffolk
Country: GB

2. Domain Name

playboyracing.co.uk ("the Domain Name")

3. Procedural Background

20 October 2006:	Hardcopy complaint received by Nominet
24 October 2006:	Complaint lodged with Nominet electronically
24 October 2006:	Nominet forwarded complaint to Respondent
3 November 2006:	Electronic response received by Nominet
6 November 2006:	Hardcopy response received by Nominet
6 November 2006:	Nominet forwarded response to Complainant
12 November 2006:	Hardcopy Reply received by Nominet
13 November 2006:	Electronic Reply received by Nominet
16 November 2006:	Nominet forwarded Reply to Complainant

On 28 December 2006 I, Adam Taylor, the undersigned, confirmed to Nominet that I knew of no reason why I could not properly accept the invitation to act as expert in this case and further confirmed that I knew of no matters that ought to be drawn to the attention of the parties which might appear to call into question my independence and/or impartiality.

4. Outstanding Formal/Procedural Issues (if any)

The complaint names "Trevor Hughes" as the Respondent whereas it should have been "Trevor Hodges", the correct name of the registrant of the Domain Name. No amended complaint was filed. In his cover letter to Nominet of 30 October 2006 Trevor Hodges drew attention to the mistake with his name but raised no objection to the complaint on that basis. On 22 November 2006 the Complainant's solicitors emailed Nominet to confirm that the complaint was intended to be made against "Trevor Hodges" and not "Trevor Hughes".

In my view, requiring the Complainant to file an amended or new complaint at this stage would achieve nothing other than unnecessary delay and expense. Both parties have proceeded as if the complaint had been correctly filed against Trevor Hodges and I propose to do likewise.

There is a further procedural matter. The Respondent's letter to Nominet of 30 October 2006 attaching the hard copy response and attachments contained some additional submissions over and above those in the response. This was received by Nominet within the time limit for the response and was forwarded to the Complainant's solicitors who had an opportunity to address it in their reply. Accordingly I propose to treat the contents of that letter as part of the response.

5. The Facts

The Complainant and its group have been using the PLAYBOY mark for over 50 years. The first issue of Playboy magazine was launched in the US in December 1953. The magazine has been published continuously since then and there are now locally produced editions of Playboy magazine published in 22 countries.

Today, the Complainant is an international multi-media entertainment company which publishes editions of Playboy magazine around the world, operates Playboy television networks and distributes programming via home video and DVD globally, licences the PLAYBOY trade marks internationally for a range of consumer products and services and operates playboy.com (registered in 1994), a men's lifestyle and entertainment website.

The Complainant and its group own many trade mark registrations for the word PLAYBOY including:

- UK trade mark 775343 dated 13 March 1958 for the word PLAYBOY in class 9.
- UK trade mark 1286798 dated 1 October 1986 for the word PLAYBOY in class 41.
- CTM E60434 dated 1 April 1996 for the word PLAYBOY in numerous classes.
- UK trade mark 2195833 dated 28 April 1999 for the word PLAYBOY in class 41.
- CTM E1728377 dated 28 June 2000 for the word PLAYBOY in class 41.
- UK trade mark 2245342 dated 12 September 2000 for the word PLAYBOY in classes 41 and 42.

The Complainant operates (in partnership) a motor racing team in the US under the brand "PLAYBOY RACING".

The Complainant also licenses the use of the "PLAYBOY" brand to Ladbrokes, who use it to provide branded online betting services in respect of horse racing.

The Respondent has used "PLAYBOY" in relation to horse racing activities in the UK since at least 2004.

The Respondent registered the Domain Name on 24 November 2005.

On 29 November 2005 the Respondent incorporated a UK company called "Playboy Racing Limited".

On 13 June 2006, the Complainant's solicitors wrote to the Respondent alleging trade mark infringement. The Respondent replied on 21 June 2006 rejecting the Complainant's allegations and stating, amongst other things, that he intended to buy more horses and call them "Playboy", "Playgirl" and "Playmate".

In response to a further letter from the Complainant's solicitors on 18 July 2006, the Respondent stated in a letter of 21 July 2006 that if the Complainant took action against him, he would ensure that it received negative publicity.

As of 19 October 2006, there was a website at the Domain Name headed “Playboy Racing Club”. There was a picture of a racehorse with some people beneath the slogan “adding fun to your racing” together with email and telephone contact details.

6. The Parties’ Contentions

Complaint

The Complainant’s trade mark registrations constitute rights for the purpose of the complaint.

The Complainant’s high profile motor racing team makes prominent use of both the "PLAYBOY RACING" and the "PLAYBOY" brand on the internet, in advertising, and on the cars.

As a consequence of its activities, including sales and advertising, the “PLAYBOY” brand and the composite "PLAYBOY RACING" brand have become associated with Playboy's products and services. The Complainant has thus acquired a very substantial global reputation in both its well-known “PLAYBOY” brand and in the “PLAYBOY RACING” brand.

The Complainant has common law passing off rights in the “PLAYBOY” and "PLAYBOY RACING" marks, by virtue of the substantial reputation it has acquired in this brand. Possession of unregistered rights in a name is sufficient to establish rights for the purposes of the complaint. These rights extend to the use of the “PLAYBOY” brand for racing orientated sports activities (both horse racing and motor racing), in particular, given the prominent use of the "PLAYBOY RACING" brand.

The Domain Name prominently incorporates the Complainant's “PLAYBOY” trade mark, which will be recognised by internet users as a well-known brand distinctive of Complainant's business. The Complainant has rights both in the “PLAYBOY” mark and in the “PLAYBOY” RACING mark. The Domain Name is identical with the latter and confusingly similar to the former.

To a large extent, the addition of the word "RACING" to the “PLAYBOY” mark will be understood by many viewers to indicate the activity being conducted under the PLAYBOY brand, rather than serving to distinguish it in some way from this brand. In any event, the Complainant also has rights in the identical mark "PLAYBOY RACING", both in relation to horse racing and to motor racing.

The Respondent objectionably and misleadingly uses the Domain Name to operate a "Racing Club" under the brand "Playboy Racing".

In relation to the Respondent’s assertion in his letter of 21 June 2006 that his intention was to purchase additional horses and call them "PLAYBOY" and "PLAYMATE", each such mark is used extensively by - and is associated with Complainant. Each is a mark in respect of which the Complainant has registered trade marks and other rights.

The Respondent is not connected with the Complainant and is not authorised by Complainant to use any of its trade marks including its PLAYBOY mark or the "PLAYBOY RACING" brand, in domain names or otherwise.

The Respondent's use of the Domain Name confuses people or businesses into believing that the Domain Name is registered to, or operated or authorised by, or otherwise connected with Complainant: The Domain Name is used to host a business operating under the PLAYBOY RACING brand.

Given the extensive use and substantial reputation associated with the PLAYBOY brand, it is at the very least highly likely that the use by Respondent of the mark PLAYBOY confuses and will confuse the public into believing that such use is in some way connected with Complainant. This confusion will be exacerbated by: (i) the high profile use already made by

Complainant of the identical PLAYBOY RACING brand in relation to its motor racing team; (ii) the operation, under licence, by Ladbrokes of an online, "PLAYBOY" branded, betting business that includes a horse racing element; and (iii) the clear intent - evidenced by Respondent's statements in the corresponcence - to use various other brands of Complainant (including PLAYMATE) further to confuse the public as to the trade origin of Respondent's goods and services. These circumstances will lead to the inevitable conclusion that, on the balance of probabilities, confusion has occurred per Carphone Warehouse v Wilkes DRS 02086.

In addition, the likelihood of confusion combined with the potential for disruption or detriment is capable of amounting to an Abusive Registration per PDG case DRS 00526.

The Respondent registered the Domain Name after the Complainant had already built up a substantial reputation in its PLAYBOY mark and corporate name. Respondent had no legitimate reason for doing so and made the registration in a manner which took unfair advantage of and was unfairly detrimental to the Complainant’s rights per Nokia v Just Phones DRS0058. Permitting the Domain Name to remain in the hands of the Respondent will encourage others to engage in similarly unfair behaviour. This, and other aspects of Respondent's conduct, may serve to erode the distinctiveness of the PLAYBOY and the PLAYBOY RACING brands, to the Complainant's further detriment. That the Domain Name is an abusive registration that has been registered and/or is being used in bad faith is further demonstrated by Respondent's attempts to scare the Complainant into not enforcing its legal rights by threatening to orchestrate negative publicity against it.

<u>Response</u>

The Respondent disagrees with the Complainant regarding its rights to use the Domain Name. The Respondent looked at the “patents list” at www.patent.gov.uk and entered “horse racing” and “horse racing clubs” but it came back with no categories. The Respondent finds no mention of these terms in the Complainant’s registered trade marks.

The Complainant claims to operate “Playboy Racing” but that is only in the USA and is motor car racing. The cars are marked only “playboy” with the bunny logo and not “Playboy Racing”.

The Respondent’s activities are purely horse racing in the UK. It never entered the Respondent’s minds to be connected with anybody else.

The Respondent operates a small company and has gone to a lot of expense setting up its operation.

The Respondent has the legal right to use “Playboy Racing .co.uk”, as its trading name is Playboy Racing Limited which is registered at Companies House. The Respondent has other trading names like “Playboy Partnership” and “Playboy Partnership II”.

Parisian Playboy was the Respondent’s first horse which was owned, trained and run by a partnership called “Playboy Partnership”. The name was used for an account at Weatherbys bank. The Respondent later formed “Playboy Partnership II” which owns and runs racehorses with names like “Lowestoft Playboy” and “Eastern Playboy”.

The Respondent decided to form a limited company called Playboy Racing Limited and then obtained the Domain Name.

The word Playboy has been used in the English dictionary for years. One of the kings in the early 1900s was known as “a proper playboy”.

The Respondent has its own own logo which is a horse’s head and nothing like the Complainant’s bunny. The main part of the Complainant’s identity is its logo.

The Respondent’s site makes no mention of girls, bunnies anything else relating to the Complainant.

The Respondent is not involved in any business in which the Complainant is involved. The nearest is the Complainant's use of Ladbrokes for on line betting. The Respondent is not involved with online betting.

The Respondent does not now nor does it intend to infringe on any one else's rights.

The Respondent undertakes to the Complainant that it has no intention to use the word "Playmate" now or ever. The Respondent wishes to withdraw and apologies for the comment it made in its letter which was flippant. The comment was made "in the shock of the whole matter".

Reply

While the Respondent states that in relation to racing activities, the Complainant only operates in the USA, the Complainant has many trade marks, including in the UK, for PLAYBOY in relation to a wide variety of goods and services including sporting activities in class 41. The Complainant also has established extensive goodwill in the PLAYBOY trade mark in relation to motor racing and horse racing as evidenced by screenshots from playboy.com and from the online betting business operated with Ladbrokes. This is a global website targeted at an international audience including the UK.

It is not apparent from the Domain Name what kind of activities it relates to.

The mere existence of a company name does not give rise to any trade mark or similar rights.

The Respondent's ownership of horses with "Playboy" in their names only demonstrates that the Respondent is trading on the Complainant's goodwill and using the PLAYBOY mark in a way that is very likely to confuse the public into believing that the use is connected with the Complainant.

The fact that "Playboy" appears in the English dictionary is irrelevant as the Complainant's mark is not a descriptive use. The fact that a mark has an ordinary meaning does not prevent someone else acquiring rights in it through registration or use.

The Respondent claims that its business activities are not similar to the Complainant's. Given the substantial reputation of PLAYBOY brand, the mere existence of the Domain Name gives rise to a likelihood of confusion. This is exacerbated by the Complainant's high profile motor racing team, the online betting business which includes a horse racing element and the Respondent's intent to use the PLAYBOY brand in relation to horse names.

7. Discussion and Findings:

General

To succeed, the Complainant has to prove in accordance with paragraph 2 of the DRS Policy on the balance of probabilities, first, that it has rights (as defined in paragraph 1 of the DRS Policy) in respect of a name or mark identical or similar to the Domain Name and, second, that the Domain Name, in the hands of the Respondent, is an abusive registration (as defined in paragraph 1 of the DRS Policy).

Complainant's Rights

The Complainant undoubtedly has rights in the mark "PLAYBOY" by virtue of its registered trade marks as well as common law rights deriving from extensive trading activities under that name.

The Complainant also claims common law rights in the term "PLAYBOY RACING".

In support, the Complainant produces an extract from the Complainant's site at playboy.com headed "HOT WHEELS" with a "Playboy Racing" version of its rabbit-head logo and some information about the Complainant's motor racing team which is variously described as "Playboy Racing" and "Playboy Racing Team". There are some photographs of racing cars bearing the word "PLAYBOY" and the rabbit-head logo.

But there is nothing on the record which bears out the Complainant's claim that the motor racing team has a high profile. There is no detail at all about the period or extent of the Complainant's activity by reference to the name "PLAYBOY RACING". There is no information about turnover or marketing spend. There are no examples of advertising. On the contrary, the website printout indicates that the team is a new one and that its activities are "beginning this season".

The Complainant also relies on a Playboy-branded online betting service supplied by Ladbroke's. The Complainant has provided only a printout of the horse racing section from a betting website at playboysportsbook.com which makes no mention of the term "PLAYBOY RACING".

The Complainant has not satisfied me that it has acquired common law rights in the term "PLAYBOY RACING".

In my view the word "PLAYBOY", in which the Complainant does have rights, is the dominant term in the Domain Name. The only difference between the Domain Name and the trade mark is addition of the descriptive word "RACING". This is insufficient to distinguish the Domain Name from the trade mark.

The Complainant has established rights in a name which is similar to the Domain Name.

Abusive Registration

Is the Domain Name an abusive registration in the hands of the Respondent? Paragraph 1 of the DRS Policy defines "abusive registration" as a domain name which either:-

" i. was registered or otherwise acquired in a manner which, at the time when the registration or acquisition took place, took unfair advantage of or was unfairly detrimental to the Complainant's Rights; OR

ii. has been used in a manner which took unfair advantage of or was unfairly detrimental to the Complainant's Rights."

It is relevant to consider, first, the Respondent's purpose in registering and using the Domain Name and, in particular, whether at any stage the Respondent intended to or did target the Complainant or its business in any way.

It is not in dispute that the Respondent used the term "Playboy" in relation to horse racing (including in horse names and in the names of horse-owning partnerships) prior to registration of the Domain Name. Indeed the Respondent has produced the following;

1. A letter from the British Horse Racing Board (BHRB) to the Respondent dated 2 July 2004 confirming his percentage share of ownership in "Parisian Playboy".

2. A VAT certificate of registration issued on 29 September 2004 to "Play Boy Partnership II" care of the Respondent.

3. A letter from the BHRB to "Play Boy Partnership II" care of the Respondent dated 1 February 2005 listing the partnership's registered racing colours for the calendar year 2004.

4. A letter from the BHRB to "Play Boy Partnership II" care of the Respondent dated 19 May 2005 concerning registration details of Play Boy Partnership II, said to have

been registered with the BHRB on 17 March 2004. A form attached to the letter mentioned “Lowestoft Playboy” under “Horses”.

5. An April 2006 Weatherbys bank statement of account in the name of “Play Boy Partnership II”.

6. An invoice dated 31 July 2006 to the Respondent for training fees in relation to “Eastern Playboy”.

7. An undated colour brochure headed “Welcome to Playboy Racing” inviting membership of a racing club whereby participants are given a share in prize monies, race day privileges and other benefits. The horses listed include “Lowestoft Playboy” and “Eastern Playboy”. The brochure mentions the domain name as a website and contact email address.

While the Respondent has not explained how long he has been using “Playboy” in relation to horse racing, it is clear from his evidence that it has done so since at least March 2004 – at least 20 months before registration of the Domain Name in November 2005.

The Complainant says that the Respondent’s ownership of horses with “Playboy” in their names demonstrates that the Respondent is trading on the Complainant’s goodwill and using the “PLAYBOY” mark in a way which is very likely to confuse the public into believing that there is a connection with the Complainant.

The Respondent has not denied that it was aware of the Complainant when it began using “Playboy” for its horse racing business. But the Complainant has provided no evidence to the effect that the Respondent intentionally selected and used “Playboy” for its horse racing business in order to trade on the Complainant’s goodwill, to create a likelihood of confusion or of otherwise target the Complainant or its business in some way, for example by misuse of the Complainant’s well-known rabbit-head logo or other branding. All we have is the fact that the Respondent used names which were similar to the Complainant’s name (a well-known name but not a made up one) for a type of business - horse racing - in which the Complainant has not established any particular reputation in the UK (or elsewhere).

In light of its pre-existing horse racing business, the Domain Name was an entirely logical one for the Respondent to register.

While it is not inconceivable that, despite its business, the Respondent could have had some more malign intent in registering or using the Domain Name, there is no evidence to that effect. There is, for example, no evidence that the Respondent used the Domain Name for any purpose outside his horse racing business or of any misuse of the Complainant’s logo or other branding.

The website printout provided by the Complainant shows use of the Domain Name for the Respondent’s horse racing club in line with the colour brochure exhibited by the Respondent (albeit that the website is rather basic). I have not been provided with a printout of the website dating from before the Complainant first approached the Respondent and have no reason to suppose that, if there was such a site, it was materially different to the one I have seen.

I should add that in my view nothing turns on the Respondent’s registration of a limited company called “Playboy Racing Limited” on 29 November 2005 – five days after the registration of the Domain Name. In theory, this could have been done purely to provide “cover” for registration of the Domain Name. It is the other, previous, horse racing activities of the Respondent that are of more significance.

The Complainant invokes, amongst other things, paragraph 3(a)(ii) of the Policy: “Circumstances indicating that the Respondent is using the Domain Name in a way which has confused people or businesses into believing that the Domain Name is registered to, operated or authorised by, or otherwise connected with the Complainant.” This is one of the non-

exhaustive list of factors which may be evidence that a domain name is an abusive registration.

There is no evidence of actual confusion here. The Complainant, however, says that the substantial reputation in the name “PLAYBOY” combined with (1) the high profile of the “PLAYBOY RACING” motor racing team (2) the “PLAYBOY” branded betting website operated by Ladbrokes and (3) the Respondent’s intent, evidenced by his statements, to use other of the Complainant’s brands such as “PLAYMATE” to confuse the public all lead to the inevitable confusion that, on the balance probabilities, confusion has occurred.

For the reasons set out above, I do not consider that the Complainant has demonstrated that the Respondent set out to create any likelihood of confusion with the Complainant’s “PLAYBOY” trade mark. Nor, as explained under “Complainant’s Rights”, do I consider that the Complainant has established any particular reputation or rights in the term “PLAYBOY RACING” in the UK or indeed elsewhere.

The Respondent has since apologised for, and withdrawn, the statement in his letter of 21 June 2006 that he intended to buy more horses and call them “Playboy”, “Playgirl” and “Playmate”. The remark, which he says was made “in the shock of the whole matter”, was clearly inappropriate. But it does not of itself cause me to conclude that the Respondent’s intention in using “Playboy” for his antecedent horse racing business or in registering or using the Domain Name has been to create a likelihood of confusion or otherwise target the Complainant. Nor does the Respondent’s threat of negative publicity in his letter of 21 July 2006 drive me to such a conclusion.

Obviously it is open to the Complainant to bring a new complaint against the Respondent if the circumstances change sufficiently so as to justify a re-hearing in accordance with paragraph 10 of the Policy.

The Complainant invokes the following DRS cases in connection with confusion but these were both based on facts materially different to those here and are therefore of little assistance. Hitachi v Logic Europe DRS 01771 (hitachidigitalmedia.co.uk) concerned a respondent distributor of the complainant’s products who forwarded the disputed domain name to the respondent’s own site which included products sold by competitors of the complainant. Carphone Warehouse v Wilkes DRS 02086 (carphonewarhouse.co.uk, thecarphonewarehouse.co.uk) involved classic “typosquatting” and diversion of customers to products competing with those of the complainant.

The Complainant refers also to PDG Graphics Limited v PDGraphics Ltd DRS 00526 (pdggraphics.co.uk) in support of the proposition that the likelihood of confusion combined with the potential for disruption or detriment is capable of amounting to an abusive registration. Clearly, such intent on the part of a respondent could amount to abusive registration and indeed the expert did conclude, amongst other things, that the respondent set out to exploit the complainant’s goodwill. In that case, the respondent was an ex-employee of the complainant who registered new company and domain names similar to the complainant’s name. Again, the facts of that case are materially different to this one. I have concluded that there is no evidence of such malign intent in this case.

The Complainant further asserts that the Domain Name unfairly takes advantage of and/or is unfairly detrimental to Complainant's rights because the Complainant has not authorised the Respondent to use any of its marks and because the Respondent without legitimate reason registered the Domain Name after the Complainant had already built up a substantial reputation in its mark and name “PLAYBOY”. In the circumstances of this case, outlined above, whereby the Respondent operated an antecedent racing business using the name “Playboy” and where there is no evidence that the Respondent targeted the Complainant, I believe that the Respondent did have a legitimate reason to register the Domain Name and that the lack of a licence from the Complainant and the Complainant’s existing reputation in the mark and name “PLAYBOY are irrelevant.

The Complainant argues that permitting the Domain Name to remain in the hands of Respondent will encourage others to engage in similarly unfair behaviour and that this and other aspects of Respondent's conduct, may serve to erode the distinctiveness of the Complainant's marks. This pre-supposes that the Respondent has engaged in "unfair" behaviour. I am not satisfied that it has done so.

It is not for me to consider whether or not the Respondent is guilty of trade mark infringement or passing off. That would be a matter for the courts to decide. But, for all the reasons outlined above, the Complainant has not in my view established that the Domain Name is an abusive registration as defined in the Policy.

8. Decision

No action should be taken in relation to the domain name <playboyracing.co.uk>.

________________________ ___________________

Adam Taylor Date