



NATIONAL
ARBITRATION
FORUM

DECISION

Channel 5 Broadcasting Limited v. PT Pancawana Indonesia
Claim Number: FA0107000098415

PARTIES

The Complainant is **Channel 5 Broadcasting Ltd.**, London, England (“Complainant”) represented by **Adlex Solicitors**. The Respondent is **PT Pancawana Indonesia**, Jawa Timur, ID (“Respondent”) represented by **John B. Berryhill**, of **Dann, Dorfman, Herrell & Skillman P.C.**

REGISTRAR AND DISPUTED DOMAIN NAME

The contested domain name is <**channel5.com**>, registered with **IARegistry.com**.

PANEL

Each of 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 a Panelist in this proceeding.

Mr. Peter L. Michaelson, Esq, as Presiding Panelist; Ms. Diane Cabell, Esq. and Hon. Carolyn M. Johnson (Ret.) as Co-panelists.

PROCEDURAL HISTORY

The Complaint was brought pursuant to the Uniform Domain Name Dispute Resolution Policy (“Policy”), available at <http://www.icann.org/services/udrp/udrp-policy-24oct99.htm>, which was adopted by the Internet Corporation for Assigned Names and Numbers (ICANN) on August 26, 1999, and approved on October 24, 1999, and in accordance with the ICANN Rules for Uniform Domain Name Dispute Resolution Policy (“Rules”) as approved on October 24, 1999, as supplemented by the National Arbitration Forum Supplemental Rules for Uniform Domain Name Dispute Resolution Policy then in effect (“Supplemental Rules”).

The Complainant submitted a Complaint, together with Exhibits 1-23, to the National Arbitration Forum (“the Forum”) electronically on July 25, 2001; the Forum received a hard copy of the Complaint on July 26, 2001.

On July 26, 2001, IARegistry.com confirmed by e-mail to the Forum that the domain name <**channel5.com**> is registered with IARegistry.com and that the Respondent is the current registrant of the name. IARegistry.com has verified that Respondent is bound by the IARegistry.com 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 July 30, 2001, a Notification of Complaint and Commencement of Administrative Proceeding (the "Commencement Notification"), setting a deadline of August 20, 2001 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@channel5.com by e-mail.

A timely Response, together with Exhibits A-J, was received by the Forum and determined to be complete on August 20, 2001.

Additional submissions were received by the Forum on August 27, 2001 from both the Complainant and the Respondent. The Complainant's and Respondent's submissions were accompanied by Exhibits 24-35 and A-C, respectively.

Since both additional submissions were timely received and the appropriate fees therefor paid to the Forum -- both as per Supplemental Rule 7, the Panel has considered both of these submissions.

On September 5, 2001, pursuant to Respondent's request, the Forum appointed Mr. Peter L. Michaelson, Esq., Ms. Diane Cabell, Esq. and Hon. Carolyn M. Johnson (Ret.) as Panelists. As such, under the Rules, the date on which the decision was then due was initially set to September 19, 2001.

Owing to travel schedules of the various panelists that overlapped with this due date, the Panel, by order dated September 12, 2001, extended the due date of the decision to October 3, 2001 so as to afford the Panel with sufficient time to thoroughly consider this matter and properly prepare its reasoned decision.

RELIEF SOUGHT

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

PARTIES' CONTENTIONS

Both parties have filed voluminous submissions with copious allegations. Hence, for the sake of brevity, the Panel will only summarize those that it sees are principal to its decision of this dispute.

A. Complainant

1. Confusing similarity/identity

The Complainant contends that the contested domain name is identical to the Complainant's registered trademark "Channel 5". The Complainant states that it is well established that the ".com" suffix is disregarded in assessing whether a domain name and trademark are identical.

Furthermore, the Complainant asserts that it is irrelevant that others may hold similar trademarks in other countries. Hence, the Complainant states that it does not have to demonstrate exclusive worldwide rights.

2. Rights and legitimate interests

The Complainant contends that the Respondent has no rights or legitimate interests in the contested domain name.

Specifically, the Complainant states that it has neither authorized nor licensed the Respondent to use the Complainant's registered trademark "Channel 5".

The Complainant maintains that an offer, made by the Respondent, to sell the contested domain and other factors evidencing bad faith, are inconsistent with the Respondent having any rights or legitimate interest in the contested domain name.

The Complainant contends that Mr. Sahar Sarid, acting on behalf of the Respondent, claims in his e-mail of May 23, 2001 that the contested domain name was bought by the Respondent in order to develop "advertising or web development". The Complainant maintains that such comments are thinly veiled attempts to disguise the Respondent's real intention which was to attempt to sell the contested domain name to the Complainant for a substantial sum -- well in excess of its costs of registration. The Complainant points to Mr. Sarid's history as a proven cybersquatter, particularly with respect to the domain name "fisher.com".

The Respondent in its fax of June 28, 2001 (see Complaint Exh. 5, p. 20) claims to be owner of an Indonesian trademark in "Channel5.com". The Complainant maintains that any such trademark application is likely to have been filed in order to concoct a defense to a potential ICANN case and not arising from any genuine rights or legitimate interest in respect of the contested domain name. In that regard, the Complainant seriously questions, given the document supplied by the Respondent concerning that application, whether in fact such an application even exists.

The Complainant therefore contends that not only is there no sign of a bona fide offering of goods or services by the Respondent, made in conjunction with the contested domain name, but that the evidence is inconsistent with such an offering.

Further, the Complainant contends the Respondent is not and has never been commonly known by the contested domain name.

Hence, the Complainant concludes that the Respondent cannot demonstrate any rights or legitimate interests in the contested domain name pursuant to paragraph 4(a) of the Policy.

3. Bad faith use and registration

The Complainant contends that the Respondent registered and is using the contested domain name in bad faith.

Specifically, the Complainant contends that the intention of the Respondent was to acquire the contested domain name primarily for the purpose of selling to the Complainant for a sum well in excess of its out of pocket expenses and can be inferred, inter alia, from the short period (12 days) which elapsed between the acquisition (May 6, 2001) and the initial approach to the Complainant with a view to sale to the Complainant (May 18, 2001).

Second, the Complainant states that Mr. Sarid has a history of cybersquatting, which is clear from the fact of his involvement with the contested domain name, as evidenced from at least three adverse ICANN decisions involving entities related to Mr. Sarid: *South China Morning Post Publishers Ltd v Commbine.com* D2000-0707 (WIPO October 20, 2000) *Garth Brooks v Shunit Sarid and Commbine.com LLC d/b/a Garth Brooks unofficial fan club* FA 96097 (Nat. Arb. Forum January 3, 2001) and *Fisher Controls International Inc v Regstral.com LLC* FA 96749 (Nat. Arb. Forum April 20, 2001). Further, in that regard, on June 28, 2001, the US District Court for the Southern District of Texas (<http://www.arb-forum.com/domains/fisheropinion.pdf>) granted a preliminary injunction against Mr. Sarid and related entities requiring transfer of the domain name "fisher.com" to Fisher Controls International Inc, a company originally using that domain but which lost it due to an administrative error by Network Solutions Inc. A summary of relevant factual findings in that action appears at Complaint, Exh. 21, page 60. Companies connected with Mr. Sarid and his sister Shunit Sarid (Commbine.com LLC and Regstral.com LLC) owned over 1000 domain names. Many of those names were identical or similar to registered trademarks, e.g. googel.com and ebbay.com being similar to "google" and "ebay", respectively. The Complainant contends that Mr. Sarid and his family have profited by sending website visitors to third party search engines and demonstrating a willingness to sell those domain names.

Further, the Complainant notes that Mr. Sarid, although he protests in his emails that the contested domain name was not for sale, includes vague comments about partnership, advertising and web development. Yet in these same emails, the Complainant states that Mr. Sarid makes it clear that the contested domain name is for sale (e.g., his email of May 31, 2001: "If you insist to buy the domain, you may send me your offer"). Hence, the Complainant concludes that it is clear that Mr. Sarid's real purpose is selling this name to the Complainant.

Inasmuch as Mr. Sarid was acting with authority of the Respondent, the Complainant submits that in the circumstances of this case no distinction should be drawn between Mr. Sarid and the Respondent.

The Complainant states, as to the involvement of Mr. Sarid:

Mr. Sarid initially approached the Complainant under the guise of "Sal S" using an email address "shunit@airmail.net" (Shunit is his sister's name);
In her email of 26 May 2001, Linda Chu said that "Sals" is the right person to talk to about the Domain;
Mr. Sarid continued to email under the name "Sal S";
In his email of 7 June 2001, he finally disclosed that his real name was Sahar Sarid with an address in Texas;
The fax of 28 June 2001 on Respondent letterhead authorized Commbine.com LLC to represent the Respondent;
In his email of 28 June 2001, Mr. Sarid signed "Saher Sarid, Commbine.com LLC";
In short, Mr. Sarid started under a false name, then switched to his own name, then switched to a connected corporate entity.

In addition, the Complainant contends that many Internet users seeking the Complainant will type "www.channel5.com" into their browsers and be taken to the Respondent's website.

B. Respondent

1. Confusing similarity/identity

First, the Respondent contends that either the registered trademark issued to the Complainant is invalid, or that its affect in terms of an ICANN proceeding is strictly limited to the United Kingdom, and not international.

In that regard, the Respondent states that trademark registration provides a presumption of ownership and validity of the mark. However, that presumption is rebuttable. In proceedings under the Policy, it is not necessary to prove invalidity of a registered mark. However, where a substantial question of validity is raised, it is imprudent for a summary administrative panel to make a determinative ruling.

The Complainant admits that it does not control the use of "Channel 5" as a designator for the Complainant's services, even in the area limited to the UK where the Complainant claims rights. In that regard, the Respondent points to paragraph 4.a.1 of the Complaint where the Complainant admits that the term "Channel 5" was established by the UK Broadcasting Act of 1990. The Complainant's license to operate under the designation "Channel 5" did not begin until 1995. Thus, use of the term is thus admitted not to reside within the control of the Complainant. The UK Independent Television Commission

retains the full power to revoke the Complainant's license, and to re-assign the right to broadcast as "Channel 5" to any other party.

The Respondent then contends that the Complainant does not have independent and exclusive control over the term "Channel 5" in the UK, and the Complainant does not have the ability to assign use of the term "Channel 5" in the UK. The Complainant, by applying for and obtaining its trademark registration, had exceeded the scope of its true rights in the term, and the registration is questionable on that basis.

The Respondent then argues that the Complainant provides no reason to believe it is distinctly associated with the term "Channel 5" outside of the UK. There are numerous "channel 5" broadcasters around the world, and any association of that term with the Complainant is inherently and strictly limited to its broadcasting in the United Kingdom.

The Respondent further contends that the Complainant's claim is inherently limited to the United Kingdom, and there is no basis for any international applicability of its claim of right, nor can there be.

Hence, the Respondent contends that, inasmuch as the Complainant has no trademark rights outside of the UK, paragraph 4(a)(i) of the Policy is not met.

2. Rights and legitimate interests

Also, in contrast to the Complainant's position, the Respondent contends that its use of the domain name is legitimate.

The Respondent states that it is, of course, indisputable that the Complainant's UK registration, even if valid, is not binding upon parties outside of the UK; the designation "Channel 5" is in fact widely used by numerous other parties outside of the United Kingdom; and the UK trademark does not constrain the rights of parties outside of the United Kingdom.

Further, the Respondent states that the first apparent fact of this dispute is that the number 5 has been an integral part of the Respondent's corporate and branding identity for longer than the Complainant has existed. As shown at page 31 of the Complainant's exhibits, the Respondent, Panca Wana Indonesia was formed on July 23, 1989. The Respondent has provided, in Exhibit C to the Response, copies of the first pages of the Respondent's export license (No. 8903 issued 1994), which notes the formation date of Panca Wana Indonesia as July 23, 1989; and a copy of a letter of good standing from DHL courier service which refers to the longstanding relationship between the Respondent and DHL since 1995. The Complainant admits it did not begin broadcasting until 1997.

The Respondent notes that Exhibit D to the Response contains a copy of a receipt from the Indonesian Office of Industrial Affairs and Commerce, confirming that the Respondent, PT Panca Wana Indonesia had filed and does own an Indonesian trademark

application for the term "Channel 5" as of April 23, 2001. The Respondent contends that this receipt alone shows legitimate preparations to use the domain name "channel5.com" prior to notice of dispute, and it shows that the Respondent was preparing to use the term "Channel 5" in commerce in Indonesia even prior to registration of the domain name by the Respondent on May 6, 2001. The Respondent states that this application has since been allowed, and is due to issue on Monday, August 20, 2001. As such, the Respondent contends that the Complainant is requesting this Panel to transfer the domain name from a registered trademark holder based on an application filed before any of the events recounted in the Complaint.

The Respondent also states why it chose "Channel 5" as its mark. In particular, the first word in the Respondent's name, "Panca" as in "Panca Wana Indonesia", is Indonesian for "Five". "Panca" is Indonesian for "Five" in Bahasa Indonesian, the official language. The word "Panca" also has a dual meaning as "strong". "Wana" means forest. Hence, the Respondent's name can be seen as "Five Forest" or "Strong Forest". Contrary to the Complainant's assertion that "Channel 5" denotes broadcasting (and necessarily in the UK), the term was selected by the Respondent to tie into its existing "Panca" brand, and to be suggestive of channels of communication and/or trade.

The Respondent states that it had been using the term "FIVE" since 1989, which precedes the Complainant's existence. The number "five" has a multi-faceted political, cultural and numerological significance in Indonesia. Achmad Sukarno, the founder of the modern state of Indonesia, promulgated five principles, literally "Panca Sila", which is the basis of Indonesian political thought. Indonesian political symbols are replete with pentagons symbolizing the Panca Sila, and the national flower is the five-petaled jasmine. Balinese Hindus observe the "Panca Yadnya", a set of five religious rituals, and the "Panca Srada", a set of five core beliefs. Meanwhile, Indonesian Muslims, in common with all Muslims, adhere to the "Five Pillars of Islam."

The Respondent contends that there is simply no legal basis whatsoever which restrains an Indonesian company from using a term in which there is no trademark right accruing to the Complainant in Indonesia. The Complainant admits it broadcasts solely in the UK, and it is an obvious fact that many television stations around the world occupy the fifth channel of the dial. The Respondent had duly filed for trademark registration before it had even obtained the domain name, and that application has now been allowed. Hence it is apparent that the Respondent's choice of the term "Channel 5" is reasonable, legal, legitimate, and duly protected under the national law of Indonesia.

3. Bad Faith

Again, in contrast to the Complainant's position, the Respondent contends that it acted in good faith in registering and using the domain name.

The Respondent acknowledges that Mr. Sarid is a notorious and inveterate cybersquatter.

Mr. Sarid had originally approached the Respondent, represented himself to be a bona fide Internet professional, and had offered to serve the Respondent for the purpose of providing referrals for potential website development work (See Response, Chu Declaration, para. 13). Upon receiving the Respondent's approval to do so, Mr. Sarid embarked upon a plan to approach the Complainant and to intimate his "personal opinion" that the domain name was valuable. The Respondent states that it was not a party to the correspondence between Mr. Sarid and the Complainant.

The Respondent admits that when it was ultimately contacted directly by the Complainant, the Respondent, unaware of Mr. Sarid's motives and dealings, did confirm that Mr. Sarid was authorized to act for the Respondent. However, at no time did the Respondent indicate that Mr. Sarid was authorized to engage in discussing an offer to sell the domain name, and at no time did Mr. Sarid indicate to the Complainant that the domain name was in fact for sale. Rather, Mr. Sarid injected his "personal opinion" concerning the value of the domain name into his correspondence with the Complainant.

Upon review of the record, the Respondent acknowledges that Mr. Sarid was evidently attempting to broker a sale transaction, with a clear view toward "lining his pocket with some kind of commission". The Respondent vehemently denies that these particular activities of Mr. Sarid were authorized. The Respondent states that it did not spend a decade building a corporate identity around the term "Five", and obtain trademark protection for "Channel 5" in order to have Mr. Sarid arrange a sale of the domain name.

While the Complainant refers repeatedly to Mr. Sarid having made an "offer to sell the domain name", the Respondent contends that the Complainant does not state the terms of any such offer. As noted in the first contact made by Mr. Sarid (Complaint Exhs., p. 15), Mr. Sarid stated the domain name "is not for sale". In the same message, however, Mr. Sarid also stated "If you insist to buy the domain name you may want to let me know" (Complainant's Exh., p.15). In subsequent correspondence to the Complainant, Mr. Sarid stated: "Linda Chu is not interested in selling the domain", but included comments such as "Personally, I did sell high value domains before and in my humble opinion the value of Channel5.com is about US\$150,000 [...] Again, this is my personal opinion about these domains and again the domain owners stated that these domains are not for sale [...]" (Complainant's Exh., p.17).

Given these events, the Respondent contends that:

- (a) Mr. Sarid would have been pleased to broker some sort of sale of the domain name.
- (b) At no time did Mr. Sarid make any offer to sell the domain name. In that regard, the Respondent takes the position that an "offer" is a definite statement of terms which, if accepted, is sufficient to form a contract.
- (c) Mr. Sarid did correctly and consistently state the domain was not for sale, and that Ms. Chu did not want to sell.
- (d) Mr. Sarid could not have made any offer, because he was not authorized by the Respondent to sell the domain name.

The Respondent contends that Mr. Sarid's own words make it apparent that the Respondent was not interested in selling the domain name, hence explaining why Mr. Sarid was unable at any time to state a definite offer capable of acceptance. Rather, he attempted, transparently, to induce the Complainant to make an offer, presumably so he could then persuade the Respondent to sell, and pocket a commission for himself.

The Complainant asked Mr. Sarid to provide evidence of authorization. Mr. Sarid forwarded this request to Ms. Chu, and she sent the letter (see Complaint Exh. 5, page 20) in which she states that Mr. Sarid is authorized to "represent us in all business relations regarding channel5.com with channel5.co.uk".

The Respondent states that Ms. Chu's understanding of Mr. Sarid's activities was that the latter was purportedly developing business contacts, not that he was trying to sell the domain name. Ms. Chu was not a party to Mr. Sarid's correspondence and attempts to provoke an offer to buy the name. The Respondent contends that if Mr. Sarid's authorization included negotiating to sell the domain name, then Ms. Chu's letter to the Complainant would not have contemplated any ongoing "business relations", but would more likely have reflected some sort of authorization to conduct a single transaction, i.e. sale of the domain name.

C. Additional Submissions

1. Complainant's additional submission

The Complainant contends that an ICANN Panel is not the proper forum to address questions concerning ownership and validity of a registered trademark.

Second, the Complainant contends that "independence and exclusive control" are not requirements for validity under UK trademarks law. In that regard, the Complainant states that trademark owners are routinely subject to various restrictions, for example when granting exclusive licenses. Specifically, the Complainant states that even if there were such a ground (which is not accepted), the revocation of its broadcasting license would not necessarily enjoin the Complainant from using the mark "Channel 5" or from assigning it. For example the UK Broadcasting Act 1990 also sets up Channel 3, yet there is no TV station of that name in the UK. The (regional) licensees of Channel 3 use their own corporate names. The Complainant concludes that if the Respondent were right, then licensed broadcasters would be unable properly to protect their brands.

Further, the Complainant states that it does not need to claim rights outside the UK. Nevertheless, the Complainant states that it has an international program distribution arm which sells its programming throughout the world.

In addition, the Complainant states that, contrary to the Respondent's position, the Respondent has no Indonesia trademark application on file.

Specifically, the Complainant states that on August 7, it received a negative result from an identical trademark search against “Channel 5” by an Indonesian lawyer (see statement of Alexandra Suryakristianto, Complainant's Additional Submission, Exh. 34, page 151, who has been a trademark paralegal for four years at the Indonesian office of Rouse & Co, a well known English intellectual property law firm). In particular, she stated:

- a) the “receipt” produced is not an official receipt for a trademark application. Trademark applications come under the authority of the Department of Justice, not the Department of Industry and Commerce, whose letterhead appears on the document and which has jurisdiction to accept trademark applications;
- b) trademark applications in Surabaya are made in the regional office of the Department of Justice, not the Department of Industry and Commerce;
- c) the “receipt” does not list the correct documents for a trademark application, for example a trademark application form; and
- d) the head examiner of the Trademark Office has confirmed that a genuine trademark certificate could not be issued within four months of application.

Hence, the Complainant concludes that, without a genuine receipt issued under the authority of the Indonesian Department of Justice, no trademark application was made.

As to Ms. Chu's e-mail of May 26 to the Complainant, the Complainant re-iterated that Ms. Chu, as director of Cyber Pacific, did not explain her interest in the name nor express surprise or concern at the prospect of the sale of the Domain. Instead she merely said (with Sals being a pseudonym for Mr. Sarid):

“I am confirming to you that Sals is the right person to talk to about the domain channel5.com. Please get in contact with him for all this matter”.

The Complainant contends that Ms. Chu was clearly aware that Mr. Sarid was in contact with the Complainant about sale of the contested domain name. Hence, the Complainant concludes that, contrary to what is stated in the response, Ms. Chu was likely aware of the Sarid correspondence and also that Mr. Sarid was authorized to sell the Domain.

2. Respondent's additional submission

The Respondent states the Complainant’s comments on what it believes to be the proper administrative receiving office in Surabaya for receiving a trademark application does not change the simple fact that the Respondent has been using the term “FIVE” as a brand since 1989.

FINDINGS

Upon consideration of the record before it, the Panel makes the following findings.

The Complainant currently owns the following valid and subsisting U.K. trademark registration on which this dispute is based. The Complainant has provided a copy of this registration in Complaint Exh. 1, page 1.

a) mark: CHANNEL 5 and CHANNEL FIVE (both in block letters)
registration 2,103,904; registered June 27, 1996

This trademark was registered, for use in connection with: "advertising services; marketing services; publicity services; sales promotional services; information and advisory services related to all the aforesaid services" in international class 35; "television broadcasting services; information and advisory services relating to the aforesaid" in international class 38; and "live broadcast entertainment services provided by means of television, film, cable and satellite; production of theatrical performances; publishing; production of video and television programmes and cinematographic films; recording studio services; information and advisory services relating to all the aforesaid services" in international class 41.

The Complainant has been providing broadcast services under this mark, within the UK since 1995, and, for some period of time dating back from the present, has been selling its programming, under its mark, elsewhere in the world.

While the Respondent claims it has filed an Indonesian trademark application for the mark "channel 5", the record contains no official proof that the Respondent has filed any such application. Further, while the record clearly states that the Respondent has used, for some time the number "FIVE" as its brand, the record utterly fails to provide any persuasive evidence that the Respondent has used the mark "Channel 5" in connection with any business venture or has used the contested domain name "channel5.com" in connection with any legitimate commercial business or has made any demonstrable preparation to so use that name.

The Respondents have posted a web page (copy in Complaint Exh. 6, page 21), to which the contested domain name resolves, that is merely a "parking page" which states that "the new Channel 5.com" is coming soon.

The contested domain name was registered by the Respondent on May 6, 2001, with Ms. Linda Chu listed as the administrative contact.

It is clear from the e-mail correspondence occurring between May 18 and June 28, 2001 among Mr. Sarid, the Respondent and the Complainant and (copies of which are in pages 13-10 of Exhibit 5 to the Complaint) that:

- (a) Mr. Sarid sent an unsolicited e-mail inquiry to the Complainant on May 18 requesting information as to whom he should talk with regarding the contested domain name;
- (b) the Complainant responded by e-mail of the same date and identified Ms. Elin Parry as the appropriate person;
- (c) Ms. Parry, by e-mail dated May 22, 2001, stated her understanding that Mr. Sarid wanted to discuss the possible transfer of "channel5.com" to the Complainant. Ms. Parry inquired as to whether Mr. Sarid (identified as Sal) was the registered owner or represented the company that was at the time, i.e. Cyber Pacific of Australia;

(d) Mr. Sarid responded by e-mail dated May 23, 2001 stating he represented Ms. Linda Chu who was the owner of the domain name "channel5.com". In this e-mail, he stated:

"She bought it lately for an undisclosed amount from the past owner and paid quite a lot for it.

I'm contacting you mainly to see if you have an interest to work in partnership with us with the domain as it is not for sale and was bought in order to develop.

If you insist to buy the domain, you may want to let me know what your value is and I'll forward to Ms. Chu and get back to you. [emphasis added];

(e) In an e-mail dated May 25, 2001, Ms. Parry stated, in pertinent part:

"I have been contacted by a person called Sal about the domain name channel5.com which I understand you have recently registered. Sal has asserted that he acts on your behalf. I should be grateful if you would confirm that this is the case.";

(f) Ms. Chu, responding to Ms. Parry by an e-mail dated May 26, 2001 stated:

"I am confirming [sic] to you that *Sals is the right person to talk about the domain channel5.com*. Please get in contact with him for all this matter." [emphasis added];

(g) Ms. Parry, in an e-mail dated May 31, 2001, asked Mr. Sarid to confirm the interest he has in the contested domain name and at what cost he would be willing to sell it.

(h) Through a responding e-mail dated May 31, 2001, Mr. Sarid stated to Ms. Parry:

"I'm also representing another entity that own Channelfive.com and there might soon be business relations between those two domain owners.

Ms. Chu is not interested in selling the domain and currently is using it, nor the owners of Channelfive.com have any interest in selling and also using the domain.

I'm contacting you to find out if we can have some business relations besides the sale of those domain(s), such as advertising or web development.

If you insist to buy, you may send me your offer and I'll forward for consideration.

Personally, I did sell high value domains before and in my humble opinion, the value of Channel5.com is about US\$150,000 and channelfive.com is about US\$85,000. Together, the values goes up since it's a full protection for a company brand name (since the domain involved a number).

Again, this is my personal opinion about these domains and again, the domain owners stated that these domains are not for sale and in use."

[emphasis added];

(i) in an e-mail dated June 7, 2001, Ms. Parry indicated the Complainant's interest in recovering the contested domain name, though she expressed "slight surprise" as to the value Mr. Sarid placed on the name. She inquired as to the nature of the channel 5 business to which Mr. Sarid had previously referred;

(j) Mr. Sarid responded, by an e-mail dated June 7, 2001, that vDirectories would create a site that would link to many different "channel 5/five" stations around the

world. He then stated "*Personally, I believe having both domains by one owner is the way it should be, to protect a brand better.*" [emphasis added];

(k) In a further e-mail dated June 20, 2001, Ms. Parry noted to Mr. Sarid that Linda Chu/Cyber Pacific owns the domain but a recent WhoIs search revealed that the registrant of the domain was "PT Pancawana Indonesia". She then asked Mr. Sarid to provide "some proof that you represented the domain name owner";

(l) in an e-mail dated June 28, 2001 to Ms. Parry, Mr. Sarid replied:

"Just faxed you a letter from PT Panca Wana company stated that *we, Commbine.LLC, are authorized to represent them in any business relations talks with you.*[emphasis added]

PT Panca Wana Indonesia is not in the business of broadcasting or media, as far as I know."

In a facsimile letter (Complaint, Exh. 5, page 20) dated June 28, 2001 and signed by Ms. Linda Chu on the letterhead of PT Panca Wana Indonesia and sent to Ms. Parry, Ms. Chu expressly stated:

"By writing this letter, *we as the Trademark and Domain owner of Channel5. com give an authorization to commbine.com LLC to represent us in all business relations regarding channel5.com with channel5.co.uk.*" [emphasis added]

DISCUSSION

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

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

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

Identical and/or Confusingly Similar

The only difference between the contested domain name, <channel5.com>, and the Complainant's mark "CHANNEL 5" is the inclusion in the former of ".com" as a gTLD. This difference is so de minimus and immaterial as to be utterly inadequate to preclude any confusion from occurring. For all practical purposes, the domain name in question is identical to the Complainant's mark "CHANNEL 5. See, e.g., *Ticketmaster Corporation vs. DiscoverNet, Inc.* D2001-0252 (WIPO April 9, 2001), *NetWizards, Inc. v. Spectrum Enterprises* D2000-1768 (WIPO April 4, 2001), *MSNBC Cable, LLC v. Tsysys.com* D2000-1204 (WIPO December 8, 2000), *Wine.com, Inc. v. Zvieli Fisher* D2000-0614

(WIPO September 11, 2000) and *Lana Marks, Ltd., Inc. v. SYP Web* D2000-0304 (WIPO June 23, 2000). Furthermore, this Panel is in full accord with a prior panel decision, *Ticketmaster Corporation v. Dmitri Prem*, D2000-1550 (WIPO January 16, 2001), which held that a top level domain is to be ignored in assessing similarity to a mark.

The Panel categorically rejects any challenges the Respondent makes to the validity of the Complainant's registered mark.

In that regard, the UK Trademark Registry is charged, in the first instance during examination of a UK trademark application, with ensuring that the mark satisfies the requirements for registration under UK law. The Panel notes here that the UK Trademark Registry, through normal exercise of its responsibility and expertise, issued a trademark registration to the Complainant for its mark "CHANNEL 5" and in the alternative "CHANNEL FIVE" for use in connection with, inter alia, its broadcasting services.

The UK Trademark Registry, as an official governmental body having specialized expertise, is accorded a very strong presumption that, in furtherance of its official duties -- here being issuing a trademark registration, it correctly carried out its duties, i.e., it properly: (a) examined the Complainant's underlying trademark application and (b) reached a conclusion of registrability on it. See *America Online, Inc. v John Deep d/b/a Buddy USA Inc.* FA 96795 (Nat. Arb. Forum May 14, 2001).

As such, the Panel strongly defers to the determination by the UK Trademark Registry that the Complainant's "CHANNEL 5" mark is sufficiently distinctive and capable of being registered. To the extent the Respondent desires to challenge the presumption of validity that attaches to this registration, the Respondent must do so either through a cancellation procedure before the UK Trademark Registry or, if available in the UK, a court challenge. Owing to the rather summary nature of an ICANN arbitration proceeding -- as the Respondent duly recognizes -- with, of necessity, its lack of appropriate and detailed fact finding, ICANN panels are simply incapable of assessing the validity of any registered mark and must, of necessity, defer to the expertise of the governmental body that issued the registration and the presumption of validity flowing therefrom.

As such, the Panel finds that sufficient similarity exists under paragraph 4(a)(i) of the Policy for the contested domain name.

Rights or Legitimate Interests

Based on its federal trademark registrations, the Complainant has acquired exclusive rights to use its "CHANNEL 5" mark. Furthermore, by virtue of the registrations of this mark, as discussed above, the UK Trademark Registry has implicitly recognized that this mark has acquired appropriate secondary meaning in the UK marketplace.

The Panel believes that the Respondent has yet to provide any basis that would legitimize any claim it has to the contested domain names. In fact, it is extremely unlikely that the Respondent can even make such a claim.

The simple reason is that the contested domain name includes the Complainant's "CHANNEL 5" mark under which the Complainant provides its services, and has been doing so for several years. The Complainant has never authorized the Respondent to utilize its registered "CHANNEL 5" mark, nor does the Complainant have any relationship or association whatsoever with the Respondent. See, e.g., *America Online, Inc. v John Deep d/b/a Buddy USA Inc.* cited supra, *America Online, Inc. v. Xianfeng Fu* D2000-1374 (WIPO Dec. 11, 2000), and *Treeforms, Inc. v. Cayne Ind. Sales Corp.*, cited supra.

The Respondent strenuously argues that the Complainant's trademark rights, based on its UK registration, are only confined to the UK, hence do not affect the Respondent's right, in Indonesia, to use a domain name that contains that mark. While there is no doubt that a national trademark registration is national in scope, i.e. limited to the borders of the country that issued it, the Respondent has ignored the simple fact that the Internet is international in scope with ready access across national boundaries. Internet users in nearly any country can access web sites situated in nearly any other country. As far as the Internet is concerned, national boundaries are meaningless and utterly porous. As such, an Indonesian organization that registers a domain name primarily for use in Indonesia can and will attract Internet users to its site from other countries, even if those users reach that site through inadvertence. In fact, one of the primary benefits of the Internet, along with graphical web browsers, is the ready access the Internet provides, through a few mouse clicks, to any user to reach any web site anywhere in the world and obtain information therefrom and/or provide information thereto.

Because of international accessibility, the UDRP was established precisely to provide an inexpensive alternative to costly foreign court proceedings where cybersquatters have abused the registration of trademarks regardless of the location of the mark owner or the domain holder. The UDRP recognizes that those who have legitimate uses of the domain within their own territories cannot be unfairly displaced by foreign mark owners, hence it provides protection to those with legitimate rights or interests in the domain.

The Respondent has not established any legitimate right or interest. The Panel finds that the Respondent has failed to provide any persuasive proof that it has acquired any trademark rights to the term "Channel 5" in Indonesia. The purported "receipt" provided by the Respondent does not evidence an actual trademark filing. In addition, the record is simply devoid of any concrete, tangible proof from the Respondent of its intended bona fide business activities under the mark.

Even assuming arguendo that the Respondent's trademark filing was legitimate, a trademark filing, in and of itself, does not constitute sufficient demonstrable preparations to use a domain name in connection with a bona fide offering of goods and services. In that regard, oftentimes, trademark applicants, during the course of prosecuting their

trademark applications through a national/regional trademark office will abandon their application for any of a variety of reasons. Such an applicant may still choose to utilize the mark or not in commerce depending on the reason underlying the abandonment. Hence, even if the Respondent did in fact file a trademark application in Indonesia, that alone is insufficient in this Panel's view to show, without more, demonstrable preparations to utilize a domain name, that contains that mark, in connection with a bona fide offering of goods or services.

Any rights that the Respondent may have based on prior use of the term "Five" simply do not extend to any domain that includes the word "Five." Thus, the Panel finds that the Respondent has no rights or legitimate interests in the contested domain name within paragraph 4(a)(ii) of the Policy.

Registration and Use in Bad Faith

The Panel views the e-mail correspondence that transpired between the parties, particularly given its immediate proximity to the May 6, 2001 date on which the contested domain name was registered, as simply reflecting an attempt by the Respondent to acquire and then sell the domain name registration to the Complainant for a sum well in excess of the Respondent's out of pocket costs; hence, violating paragraph 4(b)(i) of the Policy.

Specifically, Mr. Sarid in his May 31st e-mail to the Complainant attempted to induce the Complainant to put forth a sum certain as an offer to purchase the contested domain name. The Respondent vigorously argues that Mr. Sarid's attempted inducement did not rise to the level of a legal "offer" because it omitted a specific price term, hence, simply precluding, by its indefiniteness, the formation of a contract.

Paragraph 4(b)(i) of the Policy merely requires a panel to consider "circumstances" in the context of "*circumstances*" indicating that you have registered or you have acquired the domain name primarily for the purpose of selling ... the domain name registration to the complainant for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name" [emphasis added]. Nowhere does this paragraph limit a panel's scrutiny to just those acts that constitute a legalistic "offer" and nothing else. "Circumstances", as contemplated by this paragraph broadly encompasses those commercial negotiations, when viewed in their entirety and regardless of the specific negotiating nuance of who actually proposed what contractual term, through which a respondent's intention, as manifested by its actions, was to transfer a domain name to a complainant for consideration in excess of its costs of registration to its present holder.

If ICANN panels were to confine their view of the term "circumstances", as being limited to a legalistic "offer", i.e. to having been made by only those individuals who set forth sufficient exacting terms on which a contract could be based, then those panels would be creating a large "safe harbor" through which cybersquatters could effectively escape liability under the Policy by a simple expedient of having a complainant, rather than a respondent, put forth a specific monetary amount, and other terms, that constitute

an "offer" for a domain name. This result is one that this Panel will simply not countenance, and likely no other panel will.

Hence, the Panel concludes that Mr. Sarid's e-mail correspondence with Ms. Parry, when viewed in its entirety, constitutes sufficient "circumstances" under paragraph 4(b)(1) of the Policy.

Section 4(b)(i) of the Policy gives an example of bad faith,

(i) circumstances indicating that you have registered or you have acquired the domain name primarily for the purpose of selling, renting, or otherwise transferring the domain name registration to the complainant who is the owner of the trademark or service mark or to a competitor of that complainant, for valuable consideration in excess of your documented out-of-pocket costs directly related to the domain name;

Section 4(a) requires that both *registration* and *use* be in bad faith. The record before us supports a finding that both fall in that category. The most favorable interpretation of Respondent's allegation is that the Respondent intended to operate a portal for shared use by multiple legitimate owners of the "channel 5" trademarks. This purpose would seem to be a *registration* primarily for the purpose of "renting" the domain name to the Complainant mark owner or its competitors. The subsequent offer by Mr. Sarid to sell the domain to the Complainant is a bad faith *use* under this same provision.

Given Mr. Sarid is not the Respondent here, the only remaining question is whether his acts can be attributed to this Respondent. The answer is clearly "yes." An axiomatic principle of agency law is that a principal is responsible for the acts of its servant.

Here, not only was Mr. Sarid acting with apparent authority in representing the Respondent, but also had actual authority. In that regard, when the Respondent was queried by the Ms. Parry of the Complainant, the Respondent's representative, specifically Ms. Linda Chu, expressly ratified the authority of Mr. Sarid's organization (commbine.com LLC) to represent the Respondent in all dealings involving the contested domain name. The record is devoid of any information whatsoever that Ms. Chu did not have authority to act for the Respondent and that the Complainant was aware of it. As such, this Panel infers that Ms. Chu had sufficient authority to represent the Respondent and delegated her authority to Mr. Sarid. Even if Ms. Chu was unaware of the extent of Mr. Sarid's dealings with the Complainant, she, as principal, had a duty to investigate those dealings before she ratified Mr. Sarid's authority. The record clearly indicates that Ms. Chu may have been unaware of the entire extent of Mr. Sarid's attempted dealings with the Complainant; however, the consequences of that ignorance lie with Ms. Chu, as principal, not with the Complainant.

Hence, the Panel finds that the Complainant has shown a sufficient basis to establish bad faith registration and use of the contested domain name under paragraph 4(a)(iv) of the Policy.

DECISION

In accordance with paragraphs 4(i) of the Policy and 15 of the Rules, the relief sought by the Complainant is hereby granted.

The contested domain name, namely <**channel5.com**>, is ordered transferred to the Complainant.

Peter L. Michaelson, Esq. Presiding Panelist
Dated: October 3, 2001

Diane Cabell, Esq. Panelist

Hon. Carolyn M. Johnson (Ret.), Panelist