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**UNITED STATES DISTRICT COURT
DISTRICT OF NEVADA**

NEW YORK-NEW YORK HOTEL &
CASINO, LLC,

Plaintiff,

v.

RONNIE KATZIN, *et al.*,

Defendants.

Case No. 2:09-cv-02139-LDG (RJJ)

ORDER

The plaintiff, New York-New York Hotel & Casino, LLC, filed a complaint against Ronnie Katzin and NewYorkNewYork.com, Inc. (See Court’s Docket #1.) The plaintiff alleged that the registration and use of the domain name “NewYorkNewYork.com” constituted cyber-squatting, that defendants infringed plaintiff’s marks by using them on the NewYorkNewYork.com website, and that defendants intentionally interfered with plaintiff’s prospective economic advantage. Katzin, who is not an attorney, attempted to file an answer on behalf of both himself and the defendant corporation, NewYorkNewYork.com, Inc. (See Court’s Docket #7.) The court subsequently granted plaintiff’s motion to strike the answer as to the defendant corporation, entered default against the defendant corporation, and granted default judgment against the defendant corporation. (See Court’s

1 Docket ## 22, 24, 31.) The plaintiff now moves for summary judgment against Katzin (See
2 Court’s Docket #33), which motion Katzin opposes (See Court’s Docket #35).

3 Motion for Summary Judgment

4 In considering a motion for summary judgment, the court performs “the threshold
5 inquiry of determining whether there is the need for a trial—whether, in other words, there
6 are any genuine factual issues that properly can be resolved only by a finder of fact
7 because they may reasonably be resolved in favor of either party.” *Anderson v. Liberty*
8 *Lobby, Inc.*, 477 U.S. 242, 250 (1986). To succeed on a motion for summary judgment,
9 the moving party must show (1) the lack of a genuine issue of any material fact, and (2)
10 that the court may grant judgment as a matter of law. Fed. R. Civ. Pro. 56(c); *Celotex*
11 *Corp. v. Catrett*, 477 U.S. 317, 322 (1986).

12 A material fact is one required to prove a basic element of a claim. *Anderson*, 477
13 U.S. at 248. The failure to show a fact essential to one element, however, “necessarily
14 renders all other facts immaterial.” *Celotex*, 477 U.S. at 323.

15 “[T]he plain language of Rule 56(c) mandates the entry of summary judgment, after
16 adequate time for discovery and upon motion, against a party who fails to make a showing
17 sufficient to establish the existence of an element essential to that party’s case, and on
18 which that party will bear the burden of proof at trial.” *Id.* “Of course, a party seeking
19 summary judgment always bears the initial responsibility of informing the district court of
20 the basis for its motion, and identifying those portions of ‘the pleadings, depositions,
21 answers to interrogatories, and admissions on file, together with the affidavits, if any,’ which
22 it believes demonstrate the absence of a genuine issue of material fact.” *Celotex*, 477 U.S.
23 at 323. As such, when the non-moving party bears the initial burden of proving, at trial, the
24 claim or defense that the motion for summary judgment places in issue, the moving party
25 can meet its initial burden on summary judgment “by ‘showing’—that is, pointing out to the
26 district court—that there is an absence of evidence to support the nonmoving party’s case.”

1 *Celotex*, 477 U.S. at 325. Conversely, when the burden of proof at trial rests on the party
2 moving for summary judgment, then in moving for summary judgment the party must
3 establish each element of its case.

4 Once the moving party meets its initial burden on summary judgment, the non-
5 moving party must submit facts showing a genuine issue of material fact. Fed. R. Civ. Pro.
6 56(e). As summary judgment allows a court "to isolate and dispose of factually
7 unsupported claims or defenses," *Celotex*, 477 U.S. at 323-24, the court construes the
8 evidence before it "in the light most favorable to the opposing party." *Adickes v. S. H.*
9 *Kress & Co.*, 398 U.S. 144, 157 (1970). The allegations or denials of a pleading, however,
10 will not defeat a well-founded motion. Fed. R. Civ. Pro. 56(e); *Matsushita Elec. Indus. Co.*
11 *v. Zenith Radio Corp.*, 475 U.S. 574, 586-87 (1986).

12 Analysis - Cyber-squatting

13 Apparently recycling its memorandum in support of its motion for a preliminary
14 injunction, the plaintiff argues that it "is likely to succeed on the merits of its [cyber-
15 squatting] claim." (Court's Docket, #25, at 13, ll. 3-6, 24-25). Summary judgment,
16 however, requires that plaintiff establish every element of its cyber-squatting claim against
17 Katzin, rather than showing only a likelihood that it can establish every element of its claim.
18 As pertinent to the present matter, the Anti-cybersquatting Consumer Protection Act
19 (ACPA) provides:

20 [A] person shall be liable in a civil action by the registrant of a mark . . . if,
21 without regard to the goods or services of the parties, that person –
22 (i) has a bad faith intent to profit from that mark . . . ; and
23 (ii) registers, traffics in, or uses a domain name that --
24 (I) in the case of a mark that is distinctive at the time
25 of registration of the domain name is identical or
26 confusingly similar to that mark; [or]
 (II) in the case of a famous mark that is famous at the
 time of registration of the domain name, is
 identical or confusingly similar to or dilutive of that
 mark

15 U.S.C. §1125(d)(1)(A).

1 The plaintiff has established that its '031, '032, and '508 marks were distinctive. As
2 a mark for resort or hotel services not provided in the City of New York or the state of New
3 York, and for casino facilities and entertainment services, New York New York is a
4 distinctive mark. New York New York does not describe hotel services or casino facilities
5 or entertainment services. The plaintiff has further established that the marks were
6 distinctive at the time Katzin registered the domain name. The plaintiff filed its applications
7 for these marks in September 1995. The marks were registered in 1998. As such, the
8 plaintiff is entitled to constructive first use of the marks as of September 1995, on the date
9 the applications were filed. See, 15 U.S.C.A. § 1057(c). Katzin has not offered evidence
10 creating a material issue of fact whether plaintiff's marks were distinctive in December
11 1995.

12 Katzin registered the domain name NewYorkNewYork. This domain name is
13 identical to or confusingly similar to plaintiff's New York New York marks.

14 The plaintiff argues that Katzin *registered* the domain name with a bad faith intent to
15 profit from plaintiff's mark. In support of the argument, the plaintiff offers evidence that
16 MGM Grand, Inc., plaintiff's predecessor in interest, announced its plan to develop the New
17 York New York Hotel & Casino in 1994. The plaintiff filed its initial trademark applications
18 in September 1995. Katzin registered the domain name in December 1995. In his
19 deposition, Katzin acknowledged that he lacks any trademark rights in the domain name.
20 The plaintiff further asserts, and Katzin has not disputed, that he did not use the domain
21 name or any part of the domain name in connection with the bona fide offering of goods or
22 services before he registered the domain name.

23 While it is undisputed that Katzin registered the domain name after MGM Grand
24 announced its plan to develop the New York New York Hotel & Casino, the plaintiff has not
25 offered any evidence that Katzin was aware of MGM Grand's plans when he registered the
26 domain name. Further, while Katzin lacked any trademark rights in the domain name when

1 he registered it, and while he otherwise had not previously used the domain name, these
2 factors do not, standing alone or taken together, establish a bad faith intent as a matter of
3 law. Absent from the record is any evidence that the plaintiff had an online location from
4 which Katzin intended to divert consumers when Katzin registered the domain name in late
5 1995. The record further lacks any evidence that Katzin ever offered to sell the domain
6 name to the plaintiff or a third party for financial gain without having used or intended to
7 use the name. Also absent from the record is any evidence that Katzin had registered or
8 acquired multiple domain names identical or confusingly similar to distinctive or famous
9 trademarks of others. On this record, the Court cannot agree that plaintiff has shown, as a
10 matter of law, that Katzin *registered* the domain name with a bad faith intent to profit from
11 plaintiff's marks.

12 The plaintiff also argues that Katzin subsequently *used* the domain name with a bad
13 faith intent to profit from the plaintiff's marks. As depicted in Exhibit 6 to the plaintiff's
14 motion, the plaintiff has shown that in November 2009, the home page and several other
15 pages of the website associated with the domain name displayed an image of the plaintiff's
16 New York New York Hotel located in Las Vegas. Immediately next to this image, the
17 website displayed the words NEW YORK NEW YORK LAS VEGAS HOTEL & CASINO, in
18 approximately the following layout:

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Both the image and the words were displayed against a yellow background that was
distinct from the remainder of the web pages. Internet users who clicked on the plaintiff's
marks were re-directed to a web page that used Expedia's hotel reservation service to
enable internet users to book hotel reservations in Las Vegas, NV. Katzin's use of
plaintiff's mark would not direct internet users to plaintiff's website to book hotel

1 reservations with the plaintiff, but would instead direct the internet users to a webpage on
2 which the internet users could reserve a room for plaintiff's hotel, or for another Las Vegas
3 hotel, through Expedia. Katzin received a commission payment from Expedia for each
4 hotel room that was booked through Expedia's hotel reservation service and was then
5 used. Katzin's use of the plaintiff's mark in this context cannot be considered as bona fide
6 noncommercial or fair use of the plaintiff's mark. Rather, Katzin intended to divert
7 consumers to a web page other than the plaintiff's online location in order to profit from the
8 plaintiff's goodwill.

9 Katzin argues that, because New York New York is the name of a city and the state
10 in which that city is located, he could not infringe the plaintiff's marks by creating a website
11 accessible through the NEWYORKNEWYORK domain name that advertises or markets
12 products and services in or related to the city or state of New York. The extent to which
13 New York New York is not or is not a distinctive mark referencing the city or state of New
14 York would have weight if the website only concerned products or services related to the
15 city or state of New York. Katzin did not, however, so limit his use of the website. Rather,
16 on the website accessed through the NEWYORKNEWYORK domain name, Katzin also
17 prominently and expressly depicted the plaintiff's marks in the context of hotel services not
18 located in the city or state of New York. Further, having used the plaintiff's marks in the
19 context of hotel and casino services not in the city or state of New York, Katzin did not re-
20 direct consumers to plaintiff's online location (a location for which Katzin would not receive
21 any payments if consumers booked and used a room in plaintiff's hotel). Instead, Katzin
22 used the plaintiff's mark to re-direct consumers to an online location from which Katzin
23 would profit if the consumer booked and used a room in Las Vegas. Accordingly,
24 regardless of whether Katzin initially intended to limit his use of NEWYORKNEWYORK
25 domain name to not infringe the plaintiff's marks, the Court finds that the plaintiff has
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1 established that by November 2009 Katzin used the NEWYORKNEWYORK domain name
2 with a bad faith intent to profit from plaintiff's marks.

3 Analysis - Trademark Infringement

4 The plaintiff has shown that it owns the New York New York mark, and that such
5 mark is a valid, protectable mark for resort/hotel services, not provided in the City of New
6 York or the state of New York. The plaintiff has further shown that the defendant used a
7 confusingly similar mark likely to cause confusion in consumers about the source of
8 products. In the context of resort/hotel services not located in the city or state of New York,
9 but rather as a mark for a hotel and casino located in Las Vegas, Nevada, the NEW YORK
10 NEW YORK marks are distinctive. The services offered by the plaintiff and Katzin are
11 closely related. The plaintiff offers hotel services in Las Vegas. Katzin used the mark to
12 offer hotel reservation services for hotels in Las Vegas. The similarity of the marks is
13 undisputed, given that Katzin used an identical version of the plaintiff's marks on the
14 website accessed through a domain name composed of the same words comprising
15 plaintiff's marks. Katzin testified that he was contacted by some consumers attempting to
16 locate the plaintiff's online location. Both Katzin and the plaintiff use the internet to market
17 their services. Katzin's use of marks identical to plaintiff's marks in connection with an
18 image depicting plaintiff's hotel demonstrate's an intent to cause confusion. Taken
19 together, the court finds that Katzin's use of the plaintiff's New York New York marks on the
20 website was likely to cause confusion.

21 Remedy

22 The plaintiff asks this court for a permanent injunction against Katzin to permanently
23 transfer the newyorknewyork.com domain name to the plaintiff. The Court previously
24 granted plaintiff's request for default judgment against co-defendant
25 NewYorkNewYork.com, Inc. In connection with that default judgment, and with the present
26 motion, the plaintiff represented to the Court that the newyorknewyork.com domain name

1 was registered to NewYorkNewYork.com, Inc. The plaintiff requested that the Court enter
2 a permanent injunction requiring the registrar, Network Solutions, LLC, to permanently
3 transfer the registration of the newyorknewyork.com domain name to the plaintiff. The
4 Court granted that relief. The plaintiff has not offered any evidence that this Court's
5 judgment against NewYorkNewYork.com, Inc., did not result in the permanent transfer of
6 the newyorknewyork.com domain name to the plaintiff. As the plaintiff has not offered any
7 evidence that the newyorknewyork.com domain name is presently registered to Katzin, the
8 Court will not order the transfer of the domain name from Katzin to the plaintiff.

9 The plaintiff asks this court to award the maximum statutory damages against Katzin
10 under ACPA in the amount of \$100,000.00, suggesting that Katzin's adopting and using of
11 the plaintiff's marks is egregious and that he "brazenly positioned himself to profit from the
12 substantial goodwill Plaintiff has built over the years." The Court cannot agree with plaintiff
13 that Katzin's conduct in using the newyorknewyork domain name warrants the imposition of
14 maximum statutory damages under ACPA. While the Court has found that Katzin used the
15 domain name with the bad faith intent to profit from plaintiff's mark, such finding does not
16 require a finding that maximum statutory damages are appropriate. Rather, ACPA
17 provides for statutory damages ranging from \$1,000 to \$100,000.

18 The record does not permit a conclusion that, when Katzin originally registered the
19 domain name in 1995, he did so with a bad faith intent to profit from the plaintiff's marks.
20 Further, the record lacks any evidence to suggest that, between December 1995 and
21 November 2009, Katzin used the newyorknewyork domain name to access a web site that
22 used the plaintiff's marks. Further, as Katzin has noted, New York, New York is the name
23 of a city and the state in which that city is located. The plaintiff has not offered any
24 evidence that, during the period from 1995 through November 2009, Katzin used the
25 website accessed by the newyorknewyork domain name for any purpose not related to the
26 City of New York or the state of New York. While the plaintiff has shown that Katzin used

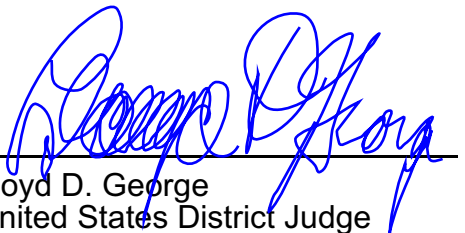
1 plaintiff's marks on the website beginning in November 2009, the use of that mark re-
2 directed consumers to Expedia's hotel reservation services, with whom the plaintiff had
3 entered into an agreement regarding the reservation of the plaintiff's hotel rooms. The
4 Court recognizes that a consumer could also use the Expedia hotel reservation service to
5 reserve hotel rooms from plaintiff's competitors in Las Vegas. Katzin also removed the
6 plaintiff's marks from the website shortly after this lawsuit was filed. Accordingly, the Court
7 will award statutory damages of \$1,000.00 and nominal damages for corrective advertising
8 of \$1,000.00.

9 The Court will also enter permanent injunctive relief against Katzin to prevent further
10 infringement.

11 Accordingly, for good cause shown,

12 THE COURT **ORDERS** that plaintiff's Motion for Summary Judgment (#33) is
13 GRANTED.

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15 DATED this 21 day of October, 2010.

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18 Lloyd D. George
United States District Judge

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