

**IN THE MATTER OF A COMPLAINT PURSUANT TO THE
CANADIAN INTERNET REGISTRATION AUTHORITY
DOMAIN NAME DISPUTE RESOLUTION POLICY**

Domain Name: FORSALE.CA

Complainant: Globe Media International Corporation
Registrant: Bonfire Development, Inc.
Registrar: Baremetal.com, Inc.

Panel: Jay Josefo
Eric Macramalla
David Lametti (Chair)

Service Provider: Resolution Canada

DECISION

A. The Parties

1. The Complainant is Globe Media International Corporation, a Canadian business corporation with its registered offices in Toronto, Ontario. The Complainant's contact person is Mr. Stefano Venneri. The Complainant's address is 277 Winona Drive, Toronto Ontario, M6C 3S8.

2. The Registrant/Respondent is Bonfire Development, Inc., a Canadian business corporation with offices in Calgary, Alberta. The address is 143 Arbour Stone Rise NW, Calgary, Alberta, T3G 4N4. The Respondent is represented by Mr. Zak Moscovitch of The Moscovitch Law Firm, 101 Scollard Street, Toronto, Ontario, M5R 1G4.

B. The Domain Name and Registrar

3. The domain name at issue is FORSALE.CA

The domain name is registered with BareMetal.com, Inc.

C. Procedural History

4. The Complainant submitted this Complaint to the Domain Name Dispute Resolution Provider, Resolution Canada. The Provider served notice of the Complaint to the Registrant as required by paragraph 4.3 of the *CIRA Domain Name Dispute Resolution Rules* ["Rules"]. The Complainant elected to have the Complaint heard by a panel of

three as permitted under paragraph 6.4 of the Rules, and nominated potential panelists. The Respondent suggested one panelist. The Provider selected panelists Jay Josefo and Eric Macramalla, and David Lametti as Chair.

D. Panel Member Impartiality and Independence Statement

5. As required by paragraph 7.1 of the Rules, the panelists have each declared to the Provider that they can act impartially and independently in this matter as there are no circumstances known to them which would prevent any of them from so acting.

E. Canadian Presence Requirement

6. The Complainant is Canadian and thus satisfies the Canadian Presence Requirement under paragraph 3.4 of the Policy.

F. Initial Statement and Initial Procedural Rulings

7. Significant aspects of this case have been unnecessarily complicated through many allegations by and submissions from both the Complainant and the Respondent that are extraneous to the resolution of the domain name dispute at hand, and also beyond the competence of an arbitration panel constituted under the *CIRA Domain Name Dispute Resolution Policy* ["Policy"] and the Rules. Indeed, a number of the allegations made on both sides would require a trier of fact with the capability to assess claims and witnesses. The Panel will therefore restrict itself to findings and holdings appropriate to CIRA domain name proceedings, and related trade-mark considerations.

8. The Complainant's Complaint was thirty-nine pages in length, with abundant additional supporting materials. The Respondent challenged the length according to the 5000 word limit contained in paragraph 3.2(i) of the CIRA Rules. On February 24, 2009, the Dispute Resolution Provider noted that, absent supporting materials, appendices, etc., the body of the Complaint appeared to be close to the 5000 word limit if one interpreted certain references and quotations as outside the bounds of the actual complaint. As such, it felt that the Complaint was within the intent of the Rules. The Panel saw no reason to dispute Resolution Canada's good faith interpretation of the Rules. Thus, we accepted the documents.

9. The Panel chose to accept an additional set of counter-claims by the Complainant, as well as additional counter arguments from the Respondent pursuant to that ruling. The Panel however did rule on March 25, 2009 in accepting the supplemental filings that no further material filings would be allowed.

10. The Complainant, subsequent to the nomination of the Panel, challenged the impartiality of Eric Macramalla on the grounds that he had answered a question via email on the subject of domain name registration dates to a party that allegedly was linked to the Respondent. On review of the matter, the Provider and the panelist Eric Macramalla were of the view that there was no substance to the claim of a conflict: the link was not at

all evident, and the subject matter of the question was abstract and specific to the Policy itself and was not linked to the facts of this case. The Panel as a whole accepts the decision by the Provider regarding the allegation of partiality as correct.

G. Factual Background

11. The domain name FORSALE.CA has a storied history given its life of only nine years. It was originally registered under the University of British Columbia registry on October 20, 2000.

12. The Complainant's trade-mark application WWW.FOR-SALE.CA matured to registration on January 21, 2005.

13. The Complainant attempted to wrest the disputed domain name from its then current holder, Mr. Sohail Kahn and Dawn Internet Telephony in 2006. The Complaint failed as the Complainant did not establish trade-mark rights that preceded the October 20, 2000 domain name registration date [*Globe Media International Corporation v. Dawn Internet Telephony Systems Inc.*, CIRA Decision 00059 (2006)].

14. The domain name FORSALE.CA lapsed and became available for re-registration on January 3, 2009. The name was immediately registered on the same day by Tom Brown ("Brown"), an individual (acting in his capacity as an individual) who happened to work for the domain name registrar BareMetal.com. Brown ignored an offer from the Complainant inquiring about the availability of the name on that same day, i.e., January 3, 2009.

15. The domain name was purchased for \$29,900 by the Respondent on January 12, 2009, which it paid in two installments of \$14,995.

16. The Complainant sent an email to the Respondent on January 12, 2009, citing the trade-mark, offering to purchase the domain name for \$5000 and asserting that it would move to protect its rights failing a favourable response.

17. The Complainant filed this Complaint on February 11, 2009. Additional filings were allowed on March 16, 2009. A Response and additional filings were also received from the Respondent with the proper deadlines.

F. CIRA Domain Name Dispute Resolution Policy Requirements

18. The *CIRA Domain Name Dispute Resolution Policy* ["Policy"] sets out at paragraph 4.1 what the Complainant must establish in order to successfully prove the complaint:

To succeed in the Proceeding, the Complainant must prove, on a balance of probabilities, that:

- (a) the Registrant's dot-ca domain name is Confusingly Similar to a Mark in which the Complainant had Rights prior to the date of registration of the domain name and continues to have such Rights; and
 - (b) the Registrant has registered the domain name in bad faith as described in paragraph 3.7;
- and the Complainant must provide some evidence that:
- (c) the Registrant has no legitimate interest in the domain name as described in paragraph 3.6.

Even if the Complainant proves (a) and (b) and provides some evidence of (c), the Registrant will succeed in the Proceeding if the Registrant proves, on a balance of probabilities, that the Registrant has a legitimate interest in the domain name . . .

19. The Panel re-iterates the narrow intent of the Policy, which is restricted to addressing instances of bad faith registration.

G. Is the Registrant's Domain Name Confusingly Similar to the Complainant's Mark?

1) The Complainant's Mark

20. Paragraph 3.2 of the Policy includes the following in the definition of what constitutes a "mark" for the purposes of the Policy:

A "Mark" is:

- (a) a trade-mark . . . or a trade name that has been used in Canada . . . for the purpose of distinguishing the wares, services or business of that person . . . from the wares, services or business of another person; [and]
- (c) a trade-mark . . . that is registered in CIPO . . .

21. The Complainant must establish trade-mark rights that precede the domain name registration date. Where the Complainant relies upon a trade-mark registered prior to the domain name registration date, the Policy does not require or permit a Panel to go behind the registration to determine whether the mark is valid or invalid based upon lack of distinctiveness or non-use.

22. In this case, the Complainant is the owner of the Canadian trade-mark registration for WWW.FOR-SALE.CA, and as such has established rights. Further, the Complainant's application matured to registration on January 21, 2005, which is before the January 3, 2009 domain name registration date. Under the circumstances, having established prior trade-mark rights, the Panel can proceed to the question of whether the domain name was confusingly similar with the Complainant's mark.

2) "Confusingly Similar"

23. Paragraph 3.4 of the Policy defines "confusingly similar" in the following terms:

A domain name is “Confusingly Similar” to a Mark if the domain name so nearly resembles the Mark in appearance, sound or the ideas suggested by the Mark as to be likely to be mistaken for the Mark.

24. The domain name is confusingly similar with the relied-upon trade-mark. Save for the addition of the non-distinctive elements “www”, “.ca” and the hyphen to the registered trade-mark, the domain name and the trade-mark are identical in appearance, sound and in the ideas suggested.

25. Thus, the Panel finds that the Registrant’s domain name FORSALE.CA is confusingly similar with the Complainant’s registered mark in which the Complainant had rights prior to the registration date of FORSALE.CA.

I. Was the Registration of the Domain Name Made in Bad Faith?

26. In order to succeed in the second stage of the test, the Complainant must show, on the balance of probabilities, that the Registrant registered the domain name in bad faith. Like the *Uniform Dispute Resolution Policy* (“UDRP”), the inquiry into bad faith in the Policy requires making findings on what one might consider to be the subjective behaviour of the registrant. The Policy, however, unlike the UDRP, has expressly and purposely adopted a restricted definition of “bad faith”. Paragraph 3.7 of the Policy states that the Registrant will be considered to have registered the domain name in bad faith, if and only if one of the following three conditions is met:

- (a) the Registrant registered the domain name . . . primarily for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant [or others related to or competing with the Complainant] for valuable consideration in excess of the Registrant’s actual costs in registering the domain name . . . ;
- (b) the Registrant registered the domain name . . . in order to prevent the Complainant [or others related to the Complainant] from registering the Mark as a domain name, provided that the Registrant, alone or in concert with one or more additional persons has engaged in a pattern of registering domain names in order to prevent persons who have Rights in Marks from registering the Marks as domain names; or
- (c) the Registrant registered the domain name . . . primarily for the purpose of disrupting the business of the Complainant, or the Complainant’s licensor or licensee of the Mark, who is a competitor of the Registrant.

27. In the Panel’s view, the disputed domain name is a generic term over which the Complainant in this particular case cannot claim exclusivity. This is so despite being the owner of a trade-mark registration that is confusing with the domain name. The term “for sale” is clearly and obviously a commonly used term by businesses and members of the public to say the least, and is one over which the Complainant would be hard pressed to assert a monopoly.

28. There is no question that the Respondent, or related parties, have been found in the past to have engaged in the practice of cyber-squatting. In particular, Shaun Pilfold, who appears to be related to the Respondent, is known to CIRA domain name panels. However, this is not relevant to this particular case, which relates to what is undoubtedly a generic domain name registration. While the Panel does not endorse the Respondent's unauthorized domain name registrations, it needs to be proven that the Respondent was cyber-squatting *in this case*, which has not been established.

29. The registration of domain names that are descriptive, generic, or otherwise not known to infringe on the rights of current trade-mark holders is an acceptable practice in the area precisely because they do not infringe on trade-mark rights. Note, however, that descriptive or generic domain names may still be found to have been registered in bad faith. In this case, though, the domain name is so clearly generic that its registration cannot be seen as being registered in bad faith.

30. In response to allegations by the Complainant, this domain name Panel is simply not equipped to assess for legal purposes the nature of the relationship between BareMetal.com, Brown and the Respondent.

31. Therefore this Panel concludes that the Registrant did not acquire the domain name FORSALE.CA in bad faith under paragraph 3.7 of the Policy. The Complainant having failed in this regard is enough to dispose of the current case in favour of the Respondent. However, for the sake of completeness, the Panel will proceed to consider whether the Respondent has a legitimate interest in the domain name.

J. Does the Registrant Have a “Legitimate Interest” In the Domain Name?

32. The final element of the test set out in the Policy is to determine whether or not the Registrant has a legitimate interest in the domain name. This inquiry tries to find some more or less objective or ascertainable link between the Registrant and the domain name in question, aside from mere registration and which is legitimate. Paragraph 3.6 of the Policy states:

The Registrant has a legitimate interest in a domain name if, and only if, before the receipt by the Registrant of notice from or on behalf of the Complainant that a Complaint was submitted

(a) the domain name was a Mark, the Registrant used the Mark in good faith and the Registrant had Rights in the Mark;

(b) the Registrant used the domain name in Canada in good faith in association with any wares, services or business and the domain name was clearly descriptive in Canada in the English or French language of: (i) the character or quality of the wares, services or business; (ii) the conditions of, or the persons employed in, production of the wares, performance of

the services or operation of the business; or (iii) the place of origin of the wares, services or business;

(c) the Registrant used the domain name in Canada in good faith in association with any wares, services or business and the domain name was understood in Canada to be the generic name thereof in any language;

(d) the Registrant used the domain name in Canada in good faith in association with a non-commercial activity including, without limitation, criticism, review or news reporting;

(e) the domain name comprised the legal name of the Registrant or was a name, surname or other reference by which the Registrant was commonly identified; or

(f) the domain name was the geographical name of the location of the Registrant's non-commercial activity or place of business.

33. Once again, this definition is restrictive – only the interests listed in subparagraphs (a) to (f) below can be considered legitimate interests. In terms of procedure the Complainant must provide some evidence that none of these interests applied to the Registrant. The burden would then shift to the Registrant to show that it has, on the balance of probabilities, any one of these legitimate interests as defined under these subparagraphs.

34. The Complainant has not introduced sufficient evidence of the Respondent having no legitimate interest. The domain name is generic, and the fact that it may not have been developed yet with respect to particular wares or services is, in this instance, completely irrelevant.

35. The Panel therefore concludes that the Respondent did have a legitimate interest in the domain name FORSALE.CA under paragraph 3.6 of the Policy.

K. Reverse Domain Name Hijacking

36. The Respondent has asked this Panel to make a finding of Reverse Domain Name Hijacking under paragraph 4.6 of the Policy:

If the Registrant is successful, and the Registrant proves, on the balance of probabilities, that the Complaint was commenced by the Complainant for the purpose of attempting, unfairly and without colour of right, to cancel, or obtain a transfer of any Registration which is the subject of the Proceeding, then the Panel may order the Complainant to pay to the Provider in trust for the Registrant an amount of up to five thousand dollars (\$5000) to defray the costs incurred by the Registrant in preparing for, and filing material in the Proceeding. The Complainant will be ineligible to file another Complaint in respect or any Registration for any Provider until the amount owing is paid in full to the Provider.

37. The Respondent claims that the Complainant is knowingly trying to obtain the domain name without colour of right, as it is a descriptive or generic domain name. This

is especially true in light of its previous attempt to gain a name it “covets” with a prior legitimate registrant, Sohail Khan, in the first FORSALE.CA case. The Respondent claims that the registering of the trade-mark in the first FORSALE.CA case in and of itself is part of a larger strategy to wrest legitimately registered domain names from legitimate holders through questionable trade-mark and domain name registrations. The Respondent gives other examples of such alleged behaviour on the part of the Complainant.

38. The term “without colour of right” is not defined under the Policy. However, the Panel is of the view that to establish reverse domain name hijacking, a Respondent must show, or the Panel on its own initiative may conclude, that a Complainant acted in bad faith in commencing the proceedings.

39. In all past cases decided under the Policy, the existence of a confusing trade-mark has been sufficient to defeat a claim of reverse domain name hijacking. While the existence of a trade-mark registration is most certainly a relevant consideration in deciding whether a Complaint was filed in good faith, a Panel must also consider other factors, including the conduct of the complainant and the nature of the domain name.

40. The Complainant’s activities represent a very serious concern for the Panel. The Complainant has registered domain names such as VERSACE.CA, MENTOS.CA, ZANTAC.CA and SMIRNOFF.CA, all of which reflect well-known or famous trade-marks. The Complainant has also filed Canadian trade-mark applications for the marks WWW.VERSACE.CA, WWW.MENTOS.CA, WWW.ZANTAC.CA and SMIRNOFF. The domain names SMIRNOFF.CA, VERSACE.CA and MENTOS.CA were registered in 2003, 2002 and 2004 respectively, while the corresponding trade-mark applications were filed in 2004, 2006 and 2008 respectively. In the case of ZANTAC.CA, successful proceedings under the Policy were initiated by Johnson & Johnson [*Johnson & Johnson v. Globe Media International Corporation*, CIRA Decision 00098 (2008)].

41. The Panel concludes that the Complainant sought to register these trade-marks in an attempt to legitimize the corresponding and previously registered domain name registrations. This constitutes a serious and profound abuse of the trade-mark regime and its intended purpose to serve the public. This, when coupled with the initiation of proceedings under the Policy in connection with a clearly generic domain name, represents an alarming pattern of behaviour on the part of the Complainant. Under the circumstances, the foregoing negates any possible argument of colour of right. The mere fact of having a registered trade-mark in this case is insufficient to establish a colour of right on the part of the Complainant given its egregious conduct. For lack of a better term, the Complainant appears to have engaged in filching.

42. The Complaint thus does constitute a serious attempt at Reverse Domain Name Hijacking.

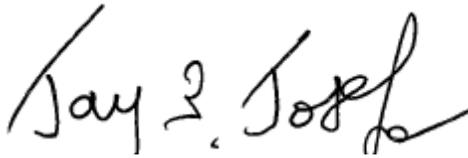
43. The Panel is well aware of the extraordinary nature of a ruling of Reverse Domain Name Hijacking under the Policy, as it includes the potential for an award of costs of up

to \$5000. Indeed, to date there have been no awards of cost under the Policy. Yet the extraordinary behaviour of the Complainant cannot be tolerated or endorsed by the Panel, and merits a ruling on costs.

44. As a result, this Panel finds that the Complainant has engaged in Reverse Domain Name Hijacking under paragraph 4.6 of the Policy. The Panel may therefore award the Respondent up to \$5000 to defray its costs. However, before such an award can be made, the Panel invites the Respondent to make its submissions on costs. Thereafter, the Panel will render its decision on the quantum of costs.

K. Conclusion and Decision

45. The Panel hereby denies the Complaint. Further, the Panel finds that the Complainant has engaged in Reverse Domain Name Hijacking under the Policy and directs the Respondent to make its submissions to the Provider on costs for a determination by the Panel.



Jay Josefo
Panelist



Eric Macramalla
Panelist



David Lametti
Chair

April 15, 2009

**IN THE MATTER OF A COMPLAINT PURSUANT TO THE
CANADIAN INTERNET REGISTRATION AUTHORITY
DOMAIN NAME DISPUTE RESOLUTION POLICY**

Domain Names: FORSALE.CA

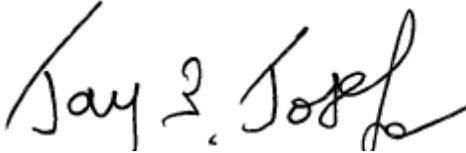
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ORDER ON COSTS

The Panel hereby directs the Registrant (Respondent) to provide its submissions on costs within 5 (five) business days in connection with the Panel's finding of Reverse Domain Name Hijacking. The submissions are to include legal fees incurred as well as disbursements.



Jay Josefo
Panelist



Eric Macramalla
Panelist



David Lametti
Chair

April 15, 2009