

CANADIAN INTERNET REGISTRATION AUTHORITY

DOMAIN NAME DISPUTE RESOLUTION POLICY

COMPLAINT

Dispute Number: 00004
Domain Name: cheaptickets.ca
Complainant: Cheap Tickets and Travel Inc.
Registrant: Emall.ca Inc.
Registrar: Tucows.com Co.
Panellists: Bradley J. Freedman, David R. Haigh Q.C. and Patrick Flaherty
Service Provider: British Columbia International Commercial Arbitration Centre

DECISION

The Parties

1. The Complainant is Cheap Tickets and Travel Inc., having a place of business in Victoria, British Columbia, Canada.
2. The Registrant is Emall.ca Inc., having a place of business in Montreal, Quebec, Canada.

The Domain Name and Registrar

3. The domain name that is the subject of this proceeding is <cheaptickets.ca> (the "Domain Name").
4. The Registrar of the Domain Name is Tucows.com Co.

Procedural History

5. This is an administrative proceeding pursuant to the CIRA Domain Name Dispute Resolution Policy, adopted by the Canadian Internet Registration Authority and posted on the CIRA website on November 29, 2001 (the "Policy") and the CIRA Domain Name Dispute Resolution Rules, version 1.1 (the "Rules").
6. By registering the domain name with the Registrar, the Registrant agreed to the resolution of certain disputes pursuant to the Policy and Rules.
7. According to the information provided by the dispute resolution service provider, British Columbia International Commercial Arbitration Centre ("BCICAC"), the history of this proceeding is as follows:
 - (a) On November 15, 2002, the Complainant filed a complaint regarding the Domain Name with BCICAC.

- (b) On November 15, 2002, having determined that the complaint was in administrative compliance with the requirements of the Policy and the Rules, BCICAC delivered a copy of the complaint to the Registrant.
- (c) On December 5, 2002, the Registrant delivered its response to BCICAC.
- (d) Both the complaint and the response were filed in English, which is the language of this proceeding in accordance with Rules paragraph 10.1.
- (e) On December 16, 2002, in accordance with Rules paragraph 6 and considering the nominees of the parties, BCICAC appointed a three-person Panel comprised of Messrs. Bradley Freedman, David R. Haigh Q.C. and Patrick Flaherty. Mr. Freedman, a nominee common to both parties, was named as Chair of the Panel.
- (f) Each of Messrs. Freedman, Haigh and Flaherty delivered to BCICAC the required Statement of Impartiality and Independence, as required by Rules paragraph 7.
- (g) Absent exceptional circumstances, the Panel was required to deliver its decision on January 7, 2003.

8. The Panel finds that it was properly constituted and appointed in accordance with the Policy and the Rules.

9. Based upon the information provided by BCICAC, the Panel finds that all technical requirements for the prosecution of this proceeding were met.

10. On December 30, 2002, pursuant to Rules paragraphs 9.1(b) and 11.1, the Panel issued a Procedural Order requesting further evidence and argument from the parties regarding four discrete issues specified by the Panel – the Domain Name registration date; the Complainant’s rights, if any, in a mark with which the Domain Name is confusingly similar; the Registrant’s knowledge of the Complainant and its mark; and the Registrant’s legitimate interests, if any, in the Domain Name. Pursuant to Rules paragraphs 1.4 and 9.1, the Panel ordered that the date for the issuance of its decision in this proceeding be changed to January 31, 2003.

11. The parties delivered their further evidence and argument within the time limits set forth in the Panel’s Procedural Order, and BCICAC delivered those materials to the Panel.

12. Both parties were represented by legal counsel throughout this proceeding.

Factual Background

13. The Panel proceeds on the basis of the following facts, which are established by the evidence and argument of the parties:

- (a) The Complainant and its predecessors have been in the business of operating a travel agency and re-selling travel tickets and travel-related services since 1996.
- (b) The Complainant uses the business name “Cheap Tickets and Travel Inc.”, and is the registered owner of the Canadian trade-marks CHEAP TICKETS (Registration

No. TMA564905) and CHEAP TICKETS AND TRAVEL & DESIGN (Registration No. TMA564432).

- (c) The Registrant is in the business of collecting and using domain names to structure joint ventures with other persons, leasing the domain names to other persons, or creating its own websites using the domain names for inclusion in a web portal called “Emall.ca”.
- (d) The Registrant did not commence using the Domain Name for an active website until early 2002, after the parties engaged in correspondence and negotiations regarding the ownership of the Domain Name. The Registrant now uses the Domain Name for a website that purports to be part of the “Emall.ca Travel Network” and through which the Registrant sells or facilitates the sale of air travel, car rental and hotel rooms.

Parties’ Contentions

14. The Complainant contends as follows:

- (a) The Complainant is the owner of the registered trade-mark CHEAP TICKETS and the common law trade-mark CHEAP TICKETS, and the Domain Name is confusingly similar to the Complainant’s CHEAP TICKETS trade-mark.
- (b) The Registrant has no legitimate interest in the Domain Name because: (i) the use of the Domain Name infringes the Complainant’s common law and statutory trade-mark rights; (ii) the Registrant did not start actively using the Domain Name until after the Registrant tried unsuccessfully to sell or lease the Domain Name to the Complainant; (iii) the Registrant has no rights in the CHEAP TICKETS trade-mark; and (iv) the Complainant has not authorized the Registrant’s use of the Domain Name.
- (c) The Registrant registered and is using the Domain Name in bad faith because: (i) the Registrant registered the Domain Name for the purpose of transferring it to the Complainant for valuable consideration; (ii) the Registrant registered the Domain Name to prevent the Complainant from registering its CHEAP TICKETS trade-mark in a corresponding domain name; and (iii) the Registrant registered the Domain Name primarily for the purpose of disrupting the business of a competitor.

15. The Respondent contends as follows:

- (a) As of the date of the registration of the Domain Name, the Complainant was not the owner of the registered trade-mark CHEAP TICKETS and did not have any common law rights in the trade-mark CHEAP TICKETS. In particular, the Registrant argues that the CHEAP TICKETS trade-mark is descriptive and not distinctive of the Complainant, and should not have been registered by the Canadian Intellectual Property Office.
- (b) The Registrant has a legitimate interest in the Domain Name because it is in the business of developing websites around generic domain names, independently or

through partners, and the Registrant used the Domain Name in good faith since as early as 1999.

- (c) The Registrant is not using the Domain Name in bad faith because the Registrant did not register the Domain Name to sell it, to prevent the Complainant from registering the Domain Name, or to interfere with the Complainant's business.
- (d) The complaint was brought in bad faith, and is an attempt to cancel or obtain a transfer of the Domain Name unfairly and without colour of right.

Discussion and Findings

(a) The Policy

16. The Policy is narrow in scope. It applies only to disputes involving alleged bad faith registration of domain names in the dot-ca country code top level domain – conduct commonly known as "cybersquatting" or "cyberpiracy". The Policy does not apply to other kinds of disputes between trade-mark owners and domain name registrants. The narrow scope of the Policy reflects its stated purpose as a forum in which cases of bad faith registration of dot-ca domain names can be dealt with relatively inexpensively and quickly.¹

17. The application of the Policy is limited to situations in which a complainant asserts the following: (a) the registrant's dot-ca domain name is "Confusingly Similar" (as defined in Policy paragraph 3.4) to a "Mark" (as defined in Policy paragraph 3.2) in which the complainant had "Rights" (as defined in Policy paragraph 3.3) prior to the date of registration of the domain name and continues to have such "Rights"; (b) the registrant has no legitimate interest in the domain name as described in Policy paragraph 3.6; and (c) the registrant has registered the domain name in bad faith as described in Policy paragraph 3.7.² If a dispute does not fall within this narrow framework, it is beyond the scope of the Policy.

18. Policy paragraph 4.1 sets forth the onus regarding the three required elements. The onus is on a complainant to 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 Policy paragraph 3.7. A complainant must also provide some evidence that (c) the registrant has no legitimate interest in the domain name as described in Policy paragraph 3.6. Policy paragraph 4.1 further provides that even if a 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 as described in Policy paragraph 3.6.

(b) The Complainant's Mark

19. The Complainant must prove, on a balance of probabilities, that the 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".

¹ Policy paragraph 1.1.

² Policy paragraph 3.1.

20. Policy paragraph 4.1 provides that the date of registration of a domain name is the date on which the domain name was first registered in the dot-ca registry or the predecessor registry operated by the University of British Columbia.

21. Based upon the evidence provided by the parties, the Panel finds that the Domain Name was initially registered with the dot-ca registry operated by the University of British Columbia on September 16, 1999.³ Accordingly, September 16, 1999 is the date for determining whether the Complainant had “Rights” in the “Mark” upon which it relies – the CHEAP TICKETS trade-mark.

22. Policy paragraph 3.2 provides a definition of the term “Mark” as follows:

3.2 A “Mark” is:

- (a) *a trade-mark, including the word elements of a design mark, or a trade name that has been used in Canada by a person, or the person's predecessor in title, for the purpose of distinguishing the wares, services or business of that person or predecessor or a licensor of that person or predecessor from the wares, services or business of another person;*
- (b) *a certification mark, including the word elements of a design mark, that has been used in Canada by a person or the person's predecessor in title, for the purpose of distinguishing wares or services that are of a defined standard;*
- (c) *a trade-mark, including the word elements of a design mark, that is registered in CIPO; or*
- (d) *the alphanumeric and punctuation elements of any badge, crest, emblem or mark in respect of which the Registrar of Trade-marks has given public notice of adoption and use pursuant to paragraph 9(1)(n) of the Trade-marks Act (Canada).*

23. The Complainant argues that its registered CHEAP TICKETS trade-mark, and alternatively its common law CHEAP TICKETS trade-mark, constitutes a “Mark” within the meaning of the Policy.⁴

24. The Complainant’s CHEAP TICKETS trade-mark is neither a certification mark nor an official mark. Accordingly, Policy paragraphs 3.2(b) and 3.2(d) are not applicable.

25. The Complainant’s CHEAP TICKETS trade-mark was registered in the Canadian Intellectual Property Office on July 18, 2002, almost two years after the date on which the Domain Name was registered. Accordingly, the Complainant cannot rely upon Policy paragraph 3.2(c) to establish that the CHEAP TICKETS trade-mark was a “Mark” prior to the Domain Name registration date.

³ The Registrant’s evidence establishes that the request for registration of the domain name was received on September 9, 1999 and was approved on September 16, 1999.

⁴ The Complainant did not argue that its CHEAP TICKETS AND TRAVEL & DESIGN trade-mark was a “Mark” with which the Domain Name is “Confusingly Similar”.

26. The Complainant therefore must rely upon Policy paragraph 3.2(a), which requires that the Complainant establish that the CHEAP TICKETS trade-mark was used in Canada by the Complainant or its predecessor in title prior to September 16, 1999 for the purpose of distinguishing the wares, services or business of the Complainant or its predecessor from the wares, services or business of another person. In other words, the Complainant must prove that the CHEAP TICKETS trade-mark was distinctive prior to September 16, 1999.

27. The wording of Policy paragraph 3.2(a) is substantially similar to the definition of “trade-mark” found in the *Trade-marks Act*, R.S.C. 1985, c. T-13.⁵ In interpreting the meaning of Policy paragraph 3.2(a), the Panel relies upon Canadian jurisprudence regarding the *Trade-marks Act* definition of “trade-mark”. This approach is consistent with Rules paragraph 12.1, which requires the Panel to render its decision in accordance with the Policy, the Rules and any rules and principles of the laws of Quebec and the laws of Canada applicable therein.⁶

28. The fundamental principles of Canadian law regarding the concept of a “trade-mark” may be summarized as follows:⁷

- (a) Trade-marks must serve to identify the source of wares and services, and to distinguish a trader’s wares and services from those of other traders. The ability to distinguish, known as distinctiveness, is the cardinal requirement of a trade-mark.
- (b) Distinctiveness may be inherent or acquired. Inherent distinctiveness refers to the inherent ability of a trade-mark to distinguish the source of wares or services with which it is associated. There is a spectrum of distinctiveness, from non-distinctive words that are clearly descriptive of the character of wares or services, to words that are suggestive but not clearly descriptive, to words that are arbitrary, fanciful or invented. Distinctiveness can be strengthened through use.
- (c) Acquired distinctiveness refers to a trade-mark’s ability, acquired through use, to distinguish the source of wares or services with which it is associated. Acquired distinctiveness is also known as “secondary meaning”.
- (d) The mere use of a particular trade-mark is not sufficient to support a finding of distinctiveness. Nevertheless, distinctiveness may be inferred in some circumstances from the inherent distinctiveness of the mark, its use, including advertising, and substantial sales.

⁵ *Trade-marks Act* section 2 defines “trade-mark” as “a mark that is used by a person for the purpose of distinguishing or so as to distinguish wares or services manufactured, sold, leased, hired or performed by him from those manufactured, sold, leased, hired or performed by others”.

⁶ The Registrant is domiciled in Quebec.

⁷ See *Western Clock Co. v. Oris Watch Co.*, [1931] 2 D.L.R. 775 (Ex. Ct.); *Havana House Cigar & Tobacco Merchants Ltd. v. Skyway Cigar Store* (1998), 81 C.P.R. (3d) 203 (F.C.T.D.), aff’d (1999), 3 C.P.R. (4th) 501 (F.C.A.); *Nature’s Path Foods Inc. v. Quaker Oats Co. of Canada Ltd.* (2001), 12 C.P.R. (4th) 190 (F.C.T.D.); *Ray Plastics Ltd. v. Dustbane Products Ltd.* (1994), 57 C.P.R. (3d) 474 (Ont. C.A.); *Molson Breweries v. John Labatt Ltd.*, (2000), 5 C.P.R. (4th) 180 (F.C.A.); *General Motors du Canada v. Decarie Motors* (2000), 9 C.P.R. (4th) 368 (F.C.A.); *Ciba-Geigy Canada Ltd. v. Apotex Inc.* (1992), 44 C.P.R. (3d) 289 (S.C.C.); and *Oxford Pendaflex Canada Ltd. v. Korr Marketing Ltd.* (1982), 64 C.P.R. (2d) 1 (S.C.C.).

- (e) Proof of exclusivity is not essential to proof of distinctiveness. Also, proof of acquired distinctiveness does not require demonstrating a lack of descriptiveness, but only that the secondary or distinctive meaning is dominant. Further, it is not necessary that the trade-mark owner show that consumers know the owner's name to establish distinctiveness.

29. The Complainant initially submitted limited evidence regarding its use of the CHEAP TICKETS trade-mark. The Registrant initially submitted that the Complainant's evidence in that regard was not sufficient. In its December 30, 2002 Procedural Order, the Panel requested that each party provide such evidence and argument as they considered appropriate regarding, among other things, whether the trade-mark CHEAP TICKETS is a "Mark" (as defined in Policy paragraph 3.2(a)) in which the Complainant or its predecessors in title had "Rights" (as defined in Policy paragraph 3.3(a)) prior to the date of registration of the Domain Name and continues to have such "Rights". Both parties submitted evidence and argument on that issue in response to the Procedural Order.

30. The Complainant argued that the "presumption of validity" regarding the registration of the CHEAP TICKETS trade-mark (Registration No. TMA564905) means that the trade-mark rights arose and were in existence as of the date of first use stipulated in the registration (July 1, 1997) and could not be challenged by the Registrant in this proceeding. The Complainant further argued that the Panel does not have authority to make a determination that is contrary to the registration of the CHEAP TICKETS trade-mark.

31. The Complainant's argument regarding the effect of the registration of the CHEAP TICKETS trade-mark is contrary to Policy paragraphs 3.1 and 4.1, which direct that the inquiry regarding a complainant's trade-mark rights focus on the date on which the domain name is registered. Further, Policy paragraphs 3.2 and 3.3 treat registered and unregistered trade-marks differently. If a complainant's "Mark" is a trade-mark registered in the Canadian Intellectual Property Office prior to the domain name registration date, the complainant is not required to establish distinctiveness or use - the mere registration of the trade-mark is sufficient to establish "Rights" in the "Mark". On the other hand, if the complainant's "Mark" is an unregistered trade-mark or a trade-mark registered in the Canadian Intellectual Property Office after the domain name registration date, the complainant must establish that the trade-mark was used in Canada by the complainant or its predecessor for the purpose of distinguishing the wares, services or business of the complainant or its predecessor prior to the domain name registration date. Accordingly, the Panel concludes that it is not bound by the facts set forth in the registration of the CHEAP TICKETS trade-mark, and is obligated to make its own determination of this issue based upon all of the evidence and argument before it, including the registration of the CHEAP TICKETS trade-mark.

32. The Complainant submitted two declarations of its director and president, who testified as follows:

Since 1996, Cheap Tickets and Travel Inc., its affiliates and predecessors in interest, have continuously carried on business using the trade name and mark "CHEAP TICKETS" and "CHEAP TICKETS AND TRAVEL" throughout Canada offering for re-sale airline and travel tickets, hotel accommodations and other vacation and travel services.

Since 1997, the Complainant and its predecessors in interest have developed substantial goodwill in association with the trade marks and names CHEAPTICKETS and CHEAPTICKETS AND TRAVEL which identify the services offered by the Complainant

33. In support of these assertions, the Complainant provided copies of numerous newspaper advertisements and other advertising prior to September 16, 1999. However, all but three of those newspaper advertisements and other advertising used the CHEAP TICKETS AND TRAVEL & DESIGN trade-mark or the term “Cheap Tickets and Travel”. The Complainant argued that the words “Cheap Tickets” are the dominant element of those marks and were highlighted, for example by using bold or upper case letters or a different font. Nevertheless, given the descriptive nature of the term “cheap tickets”, the Panel finds that the addition of the words “and travel” and the design element renders the trade-mark as used materially differently from the simpler CHEAP TICKETS trade-mark. In this regard, the Panel notes the following statement by the Federal Court of Appeal in *Registrar of Trade Marks v. Cie Internationale pour l'Informatique CII Honeywell Bull*,⁸ in which the court held that the use of the trade-mark CII HONEYWELL BULL did not constitute use of the trade-mark BULL:

The real and only question is whether, by identifying its goods as it did, CII made use of its trade mark “Bull”. That question must be answered in the negative unless the mark was used in such a way that the mark did not lose its identity and remained recognizable in spite of the differences between the form in which it was registered and the form in which it was used. The practical test to be applied in order to resolve a case of this nature is to compare the trade mark as it is registered with the trade mark as it is used and determine whether the differences between these two marks are so unimportant than an unaware purchaser would be likely to infer that both, in spite of their differences, identify goods having the same origin.

34. In this regard, the Panel also notes that the Complainant considers the trade-marks CHEAP TICKETS and CHEAP TICKETS AND TRAVEL & DESIGN to constitute two separate marks, and has obtained registrations for both marks.

35. Accordingly, the Panel finds that the use of the trade-mark CHEAP TICKETS AND TRAVEL & DESIGN or the term “Cheap Tickets and Travel” are materially different from, and do not constitute use of, the trade-mark CHEAP TICKETS.

36. The Complainant provided evidence of three advertisements that used the term “Cheap Tickets” (Victoria *Times-Colonist* newspaper classified advertisements on July 30, 1997, January 16, 1998, and May 16, 1998). However, each of those advertisements used the term “Cheap Tickets” in a clearly descriptive manner and prominently displayed the stylised business name “Far & Away Adventures”.⁹

⁸ (1985), 4 C.P.R. (3d) 523 (F.C.A.).

⁹ The Registrant argues that the Complainant’s evidence indicates use of the CHEAP TICKETS trade-mark by two different legal entities – the Complainant and its associated company Far and Away Adventures Inc. It is not necessary for the Panel to address this argument in light of the Panel’s conclusion regarding the CHEAP TICKETS trade-mark.

37. The Complainant's director and president testified that the Complainant uses the domain names <cheapticketsandtravel.com>, <cheapticketsandtravel.ca>, <cheapticketscanada.ca>, <cheapticketsamerica.com>, <cheapticketsbritain.com>, and <cheapticketsaustralia.com>. However, no particulars were provided regarding the dates when those domain names were used (except for the cheapticketsandtravel.com website, which started operations in July 1999) or the content of the websites.

38. The Complainant's director and president testified that the Complainant's "Organization" had made substantial gross sales during the period 1998 to 2002. However, there was no evidence indicating the amount of sales of services in connection with which the Complainant used the CHEAP TICKETS trade-mark. Standing alone, sales figures are not evidence of use of the CHEAP TICKETS trade-mark or the acquired distinctiveness of that mark.

39. The Complainant also relied upon its May 25, 1999 application to the Canadian Intellectual Property Office for the registration of the CHEAP TICKETS trade-mark, and the subsequent registration of that trade-mark. In the Panel's view, the trade-mark application is not evidence that the CHEAP TICKETS trade-mark was distinctive either on the date of the application or on September 16, 1999 (the domain name registration date). By virtue of *Trade-marks Act* section 54, the registration of the CHEAP TICKETS trade-mark is evidence of the facts set out in the registration. However, the trade-mark registration is not conclusive or determinative of those facts, particularly where the validity of the trade-mark is challenged.

40. The Complainant did not submit, either initially or in response to the Panel's Procedural Order, any of the usual evidence one would expect regarding trade-mark use and distinctiveness, such as invoices, letter head, or business cards using the CHEAP TICKETS trade-mark (as opposed to the CHEAP TICKETS AND TRAVEL & DESIGN trade-mark).

41. After careful consideration of all of the Complainant's evidence and argument, the Panel concludes that the Complainant has not proven, on a balance of probabilities, that CHEAP TICKETS was a "Mark" within the meaning of the Policy prior to the Domain Name registration date. In particular, the Panel concludes that the Complainant has not provided sufficient evidence of the use and distinctiveness of the CHEAP TICKETS trade-mark so as to prove, on a balance of probabilities, that prior to September 16, 1999 the Complainant or its predecessors used the CHEAP TICKETS trade-mark for the purpose of distinguishing the wares, services or business of the complainant or its predecessor.

(c) Other Requirements of the Policy

42. In light of the Panel's conclusion regarding the first required element of the Policy, it is neither necessary nor appropriate for the Panel to consider the other requirements of the Policy – whether the Domain Name is "Confusingly Similar" to the Complainant's "Mark", whether the Registrant has no legitimate interest in the Domain Name and whether the Registrant has registered the Domain Name in bad faith.

(d) Bad Faith Complaint

43. The Registrant argued that the Complainant brought the complaint in bad faith. Policy paragraph 4.6 provides that if a registrant is successful and proves, on a 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 domain name registration that 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.

44. The Complainant failed to establish that the CHEAP TICKETS trade-mark constituted a “Mark” within the meaning of the Policy prior to the Domain Name registration date. Nevertheless, in light of the Complainant’s registered CHEAP TICKETS trade-mark, the Panel finds that the complaint was not brought “unfairly and without colour of right”. Accordingly, the Panel concludes that the complaint was not brought in bad faith within the meaning of Policy paragraph 4.6.

Conclusion and Decision

45. The Complainant has failed to prove, on a balance of probabilities, that the CHEAP TICKETS trade-mark constituted a “Mark” within the meaning of the Policy prior to the Domain Name registration date. Accordingly, the Complainant has not established one of the required elements set forth in Policy paragraph 4.1. For that reason, the Panel dismisses the complaint.

Bradley J. Freedman, David R. Haigh Q.C. and Patrick Flaherty

Bradley J. Freedman
Chair

Date: January 31, 2003