

**IN THE MATTER OF A COMPLAINT PURSUANT TO THE CANADIAN
INTERNET REGISTRATION AUTHORITY (“CIRA”) DOMAIN NAME
DISPUTE RESOLUTION POLICY (the “POLICY”)**

Complainant: Choice Hotels International, Inc.

Complainant Counsel: Mr. Eric Macramalla, Gowling Lafleur Henderson LLP

Registrant: Mr. Daniel Montanbault

Disputed Domain Name: COMFORT-INN.CA

Registrar: Tucows.com Co.

Panelists:

Barry C. Effler C. Arb., Chair

Michael D. Manson

Anton Melnyk, Q.C.

Service Provider: British Columbia International Commercial Arbitration Centre
(the “BCICAC”)

BCICAC File Number: DCA-929-CIRA

The Parties

1. The Complainant is Choice Hotels International, Inc. a corporation with its principal place of business located at 10750 Columbia Pike, Silver Springs, Maryland, U.S.A.
2. The Registrant is Mr. Daniel Montanbault who resides in Quebec City, Quebec.

The Domain Name and Registrar

3. The disputed domain name is Comfort-Inn.ca. The Registrar with which the disputed domain name is registered is Tucows.com Co. The domain name was registered on March 30, 2006.

Procedural History

4. On August 3, 2006, the Complainant filed a complaint against the Registrant with the BCICAC requesting that the Registrant’s right to ownership of the domain name, Comfort-Inn.ca, be arbitrated in accordance with CIRA’s Domain Name Dispute Resolution Rules (the “Rules”) and that an order be made pursuant to the CIRA Domain Name Dispute Resolution Policy (the “Policy”) that the registration of the Disputed Domain Name be transferred to the Complainant.

5. By letter and email dated August 3, 2006, the BCICAC as Service Provider so advised the parties and forwarded a copy of the Complaint to the Registrant.
6. The Registrant delivered its Response, in compliance with the Policy and Rules, to the Centre on August 23, 2006.
7. The Registrant's Response was reviewed by the BCICAC and sent to the Complainant on August 25, 2006.
8. The Complaint and the Response were filed in English, which shall be the language of the proceeding.
9. The BCICAC by letter dated August 29, 2006 named Barry C. Effler as the Panel Chair and Anton Melnyk, Q.C. and Michael D. Manson as panelists for this arbitration.
10. As required by paragraph 7.1 of the Rules, all three panelists have declared to the BCICAC that they can act impartially and independently in this matter, as there are no circumstances known to any of us which would prevent us from acting.

Eligible Complainant

11. The Policy in Paragraph 1.4 states as follows:

“**1.4 Eligible Complainants.** The person initiating a Proceeding (the “**Complainant**”) must, at the time of submitting a complaint (the “**Complaint**”), satisfy the Canadian Presence Requirements for Registrants (the “**CPR**”) . . . in respect of the domain name that is the subject of the Proceeding unless the Complaint relates to a trade-mark registered in the Canadian Intellectual Property Office (“**CIPO**”) and the Complainant is the owner of the trade-mark.”

12. The Complainant owns the following two Canadian Trade-marks:

- a. Registration no. TMA 276,330
COMFORT INN
registered February 4, 1983
- b. Registration no. TMA 378,367
COMFORT INN & design
registered January 18, 1991

13. Accordingly, we find that the Complainant is an eligible complainant as the disputed domain name includes all of the elements included within the trade-marks. We do not find the presence or lack of a “dash mark” to be material to this finding.

Background Facts

14. The Complainant is one of the largest lodging companies in the world and franchises more than 5200 hotels in over 46 countries, including Canada.
15. According to the Complainant, the COMFORT INN brand and related trademarks is the largest of the Choice Hotel brands, with over 2000 locations world wide. This COMFORT INN brand is a leading and well recognized hotel brand in Canada.
16. The Complainant has a substantial internet presence operating a website at comfortinn.com which hyperlinks to choicehotels.com. This website provides online booking services for the Comfort Inn hotels as well as the Complainant's other hotels operating under other brand names. Revenues averaged \$1.3 million per day in 2005.
17. The Registrant registered Comfort-Inn.ca on March 30, 2006 without the permission of the Complainant. The domain has remained inactive since its registration other than a basic "under construction" page provided by the web host.
18. In the Description in the Registrant information for the domain name Comfort-Inn.ca was the following information:

“(Domain name of great value for sale) - (Domain name for sale) – If you are interested to buy this major domain name, you may contact me and make me an offer.”
19. The Complainant through its legal counsel wrote to the Registrant on May 4, 2006 requiring the domain name be transferred to the Complainant.
20. The Registrant replied on May 12, 2006 denying any need for permission from the Complainant to register the domain name. Further, the Registrant denied any intent to use the domain name for any commercial web site and denied any damage to Choice Hotels or “passing off” activities. The letter then includes an offer to sell the domain name for \$30,000 and invites further negotiation if that amount is not acceptable. Further letters were exchanged but no deal was made.

Analysis of CIRA Policy Provisions

Policy Paragraph 4.1 provides:

“4.1 Onus. 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 as described in paragraph 3.6.”

Confusingly Similar 4.1 (a) test

21. The domain name *comfort-inn.ca* is virtually identical to the Complainant’s *Comfort Inn* trade-mark. The presence of the “.ca” suffix does not alleviate the potential confusion as the Policy at paragraph 1.2 specifically deals with this point:

“. . .For the purposes of this Policy, “**domain name**” means the domain name excluding the “dot-ca” suffix and the suffixes associated with all third and fourth level domain names accepted for registration by CIRA.”

22. An excellent discussion of what is Confusingly Similar occurred in *Glaxo Group Limited v. Defining Presence Marketing Group Inc.*, CIRA decision no. 00020.

Quoting from page 4 of the decision:

“As held by the Panel in *Government of Canada on behalf of Her Majesty the Queen in Right of Canada v. David Bedford*, the test to be applied when considering “confusingly similar” is one of first impression and imperfect recollection:

Accordingly, for each Domain Name the Complainant must prove on a balance of probabilities that a person, on a first impression, knowing the Complainant’s corresponding mark only and having an imperfect recollection

of it, would likely mistake the Domain Name (without the .ca suffix) for Complainant's corresponding mark based upon the appearance, sound or the ideas suggested by the Mark

In other words, the test is whether the average Internet user with an imperfect recollection of the ZYBAN Mark who wishes to access a website operated by the Complainant either by entering a domain name including the ZYBAN mark into the address bar of an Internet browser, or by entering the key terms of the domain name into an Internet search engine, would likely be confused as a matter of first impression with the Disputed Domain Name (see *Great Pacific Industries. v. Ghalib Dhalla* CIRA Dispute Number 00009, April 21, 2003, pp.20-21)

In addition it has been held that a Registrant may not avoid confusion by appropriating another's entire mark in a domain name (*Canadian Broadcasting Corporation/Society Radio-Canada v. William Quan*, British Columbia International Commercial Arbitration Centre, Case No. 00006) “

23. We find that incorporating the entirety of the words of the Complainant's marks within the domain name *comfort-inn.ca* is Confusingly Similar within the meaning of the Policy. The presence or absence of a “dash” is not such a difference as to differentiate the domain name from the marks in the mind of the average Internet user with imperfect recollection.

24. The domain name in dispute was registered on March 30, 2006 which is after the date of registration of both of the Complainant's marks which were registered in 1983 and 1991.

25. Therefore, Paragraph 4.1 (a) requirements have been met by the Complainant.

Bad Faith test 4.1 (b) as set out by paragraph 3.7 requirements

26. To meet the requirement to establish Bad Faith on the part of the Registrant, the Complainant must meet one of the three possible tests set out in Paragraph 3.7 of the Policy. The Complainant herein submitted it met the test of Paragraph 3.7 (a) which provides:

“3.7 Registration in Bad Faith. For the purposes of paragraph 3.1(c), a Registrant will be considered to have registered a domain name in bad faith if, and only if:

(a) the Registrant registered the domain name, or acquired the Registration, primarily for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant, or the Complainant's licensor or licensee of the Mark, or to a competitor of the Complainant or the licensee or licensor for valuable consideration in excess of the Registrant's actual costs in registering the domain name, or acquiring the Registration;”

27. The Registrant offered the domain name for sale in the information provided for the domain name registration as set out in paragraph 18, above.
28. The Registrant then offered to sell the domain name for the sum of \$30,000, which is clearly an amount in excess of the Registrant's costs of registration of the domain name.
29. The Respondent's argument on this point is set out in paragraphs 11 and 12 of the Response:

“11. On Article no 45 of its complaint, Eric Macramalla and Choice-Hotels remind that I requested 30 000\$ to tranfer the domain name. This is true and the 30 000\$ was NOT the amount I requested for the VALUE of the domain; IT WAS ONLY THE MINIMUM AMOUNT I REQUESTED THEM ONLY FOR DAMAGES TO MY EXCELLENT REPUTATION AND TO HAVE ACCUSED ME FALSELY, WITH NO PROOFS, OF BAD FAITH. I sincerely swear it. I respectfully request the Panel to notice this very important point.

12. Also, according to the Policy, the proof of bad faith registration would appear if I would have contacted FIRST Choice-Hotels (BEFORE they contacted me) to offer them the sell of my domain name. THIS HAS NEVER HAPPENED and such fact proves my total good faith. It is only on ANSWER to their first letter that I have wrote them, NEVER BEFORE. If my intention was to offer to Choice-Hotels the sell of the domain-name, I would have done so in the few days (and clearly PRIOR to their complaint) after I registered the domain-name. So, their alleguations are totally false, seriously and unfairly affect my excellent reputation and I require amount for reparation for damages to my reputation.”

30. We find that the information in the description is clearly an invitation to have someone purchase the domain name for value. The correspondence between the parties is clearly indicative that the Registrant wanted \$30,000 or such lesser sum as may have been negotiated. Quoting from the May 12, 2006 letter from the Registrant to the Complainant's legal counsel:

“I totally accept to transfer very shortly (in 1 day delay; 24 hours maximum) the domain name to Choice Hotels in exchange for the amount of only 30 000\$ (a very reasonable agreement for both sides)...

If Choice Hotels is fine with this arrangement but in exchange of less money, I'm fully ready to listen to any second deal or reasonable proposition of amount from you and Choice Hotels, your client (Choice Hotels). "

31. Therefore, Paragraph 4.1 (b) requirements have been met by the Complainant.

No legitimate interest test 4.1 (c) as set out in Paragraph 3.6

32. Paragraph 4.1 (c) of the Policy provides: "...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."

33. Paragraph 3.6 of the Policy provides:

"3.6 Legitimate Interests. 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."

34. The tests set out in Paragraph 3.6 are not met by the Registrant in this case.

- (a) The Registrant had no rights to any mark of the Complainant and we have already ruled there is Bad Faith.
- (b) The domain name is not directly descriptive of any wares or services. It is based on the trade-marks controlled by the Complainant.
- (c) The domain name is not generic in any language.
- (d) The domain name is not being used for any good faith purpose by the Registrant.
- (e) The domain name has nothing to do with any name of the Registrant.
- (f) The domain name is not a geographical place name.

No legitimate interest established by the Registrant

35. The Complainant has met the onus placed on it by Paragraph 4.1 (a), (b) and (c) of the Policy. This paragraph still requires a further review of whether the Registrant has met the test that “if the Registrant proves, on a balance of probabilities, that the Registrant has a legitimate interest in the domain name as described in paragraph 3.6.” For the same reasons as set out above, we find that the Registrant has not established on a balance of probabilities that it has any legitimate interest in the domain name.

Order

36. For the reasons as set out, The Panel orders that the disputed domain name comfort-inn.ca be transferred from the Registrant to the Complainant.

This order made at Winnipeg, in Manitoba on the 20th day of September, 2006.

Michael D. Manson, Anton Melnyk, Q.C. and Barry C. Effler (Chair)

Original signed by Barry C. Effler

Barry C. Effler C. Arb.