

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

Domain Name: SHOPNCHEK.CA

Complainant: Market Force Information Inc.

Registrant: Joe Smith

Registrar: DomainPeople Inc.

Panelist: Teresa Scassa

Service Provider: Resolution Canada, Inc.

DECISION

A. The Parties

1. The Complainant, Market Force Information, Inc., is a corporation incorporated in Delaware and listing its head office in Louisville, Colorado.
2. The current Registrant and administrative contact person for the disputed domain name is Joe Smith, with contact information provided for an address in Calgary, Alberta.

B. The Domain Name and Registrar

3. The disputed domain name is SHOPNCHEK.CA. The Registrar for the domain name is DomainPeople, Inc. The disputed domain name was registered on October 15, 2008.

C. Procedural History

4. This is a proceeding under the Canadian Internet Registration Authority (CIRA) *Domain Name Dispute Resolution Policy* (Version 1.2) (the *Policy*) and the CIRA *Domain Name Dispute Resolution Rules* (Version 1.3) (the *Rules*).
5. The history of the proceeding, according to information provided by the dispute resolution provider, Resolution Canada, Inc., is as follows:

- The Complainant filed a complaint with Resolution Canada, Inc. (the Provider) on June 8, 2009.
- On June 10, 2009, the Provider notified the Complainant of a deficiency in the Complaint. This deficiency was corrected by the Complainant by an amendment forwarded to the Provider on that same date.
- On June 10, the Provider sent an electronic version of the Complaint and the Amendment to the Complaint to Registrant. The email addresses used were those supplied by the Registrant as contact information as part of the domain name registration and on the website to which the disputed domain name resolved. A hard copy of the complaint was also sent by courier to the address supplied in the registration. The Registrant did not respond to the Complaint within the 20 day period prescribed the *Rules*, para. 5.1.
- As there was no response to the Complaint, the Complainant elected to proceed with a single panelist.
- On July 8, 2009, the Provider sent a Notice of Selection of Panelist to the parties.

D. Canadian Presence Requirements

6. Under the *Policy*, the dispute resolution process is open only to eligible complainants. Paragraph 1.4 of the *Policy* defines eligibility in these terms:

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”) (currently available at http://www.cira.ca/en/cat_Registration.html) 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.

7. The Complainant, Market Force Information, Inc., is a company incorporated under the laws of Delaware. It is the parent company of Shop’N Chek, Inc., a wholly owned subsidiary of Market Force Information, Inc. The Complainant argues that it meets the Canadian Presence Requirements by virtue of art. 2(q) of the *CIRA Canadian Presence Requirements for Registrants*, Version 1.3. Article 2(q) provides:

A Person which does not meet any of the foregoing conditions, *but which is the owner of a trade-mark* which is the subject of a registration under the *Trade-marks Act* (Canada) R.S.C. 1985, c.T-13 as amended from time to time, but in this case such permission is limited to an application to register a .ca domain name consisting of or including the exact word component of that registered trade-mark; [Emphasis added.]

The Complainant Market Force Information, Inc., is not the owner of the registered trade-marks at issue in this matter. Its subsidiary Shop’N Chek, Inc. holds the Canadian registered trade-marks for SHOP ‘N CHEK (TMA 1356353), and for a design mark

incorporating the words SHOP ‘N CHEK (TMA 1357138). A literal reading of art. 2(q) of the *Canadian Presence Requirements* results in a finding that these requirements are not met in this case. The proper complainant should be Shop ‘N Chek, Inc. This is confirmed by paragraph 1.4 of the Policy, which also refers to eligibility where “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.” [Emphasis added.] In other cases involving art. 2(q) and wholly owned subsidiary and parent companies, the companies that were the actual owners of the registered trade-marks have been the complainants (see, e.g.: *JTH Tax Inc. v. Dhir*, CIRA Dispute #00125, 2009; *General Motors Acceptance Corp. v. Wood*, CIRQA Dispute #00051, 2006; *United Business Media LLC v. TechnoPlanet Productions Inc.*, CIRA Dispute #00129, 2009; *Mead Johnson & Co. v. Turvill Consultants – NARD*, Cira Dispute #00063, 2006).

8. In *Canadadrugs.com v. NC Britton Holdings, Ltd.*, CIRA Dispute #00028 (2005) and *LPG Systems S.A. v. distribution4web*, CIRA Dispute #00126 (2009), the panels found that an exclusive licensee of a CIPO registered trade-mark could meet the Canadian Presence Requirements in art. 2(q). The panel in *Canadadrugs.com* wrote:

An exception to this Canadian presence requirement under paragraph 1.4 of the Policy is that the related trade-mark be registered in the Canadian Intellectual Property Office. Paragraph 1.4 of the Policy refers to the "owner" of such a registered trade-mark. However, given that the evident purpose of paragraph 1.4 is to require a proposed complainant to have a sufficiently close connection to Canada, it is proper to avoid construing the term "owner" in a technical fashion. The Canadian connection is still maintained if the party is a licensee of a trade-mark registered in Canada.

The Complainant has not provided any evidence that they are an exclusive licensee of the trade-mark rights owned by Shop ‘N Chek. The Complainant has instead provided evidence that it is the sole owner of Shop ‘N Chek, Inc., which is in turn, the owner of the Canadian registered trade-mark that is at issue in this case. Like the panel in *Canadadrugs.com*, I am reluctant to defeat the purpose of the CDRP through an overly technical interpretation of the *Policy*. However, in my view, the Complainant has been less than convincing that that it meets the *Canadian Presence Requirements* as required by the *Policy*. Nevertheless, accepting for the sake of argument that the requirements are met, I will consider the other elements of MFI’s Complaint.

F. CIRA *Domain Name Dispute Resolution Policy* Requirements

9. Paragraph 3.1 of the *Policy* requires the Complainant to establish 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;*

(b) the Registrant has no legitimate interest in the domain name as described in paragraph 3.6; and

(c) the Registrant has registered the domain name in bad faith as described in paragraph 3.7.

10. According to paragraph 4.1 of the *Policy*, the Complainant must establish elements (a) and (c) above on a balance of probabilities. The Complainant must also provide “some evidence” that the Registrant has no legitimate interest in the domain name.

G. Analysis

Confusingly Similar to a Mark in which the Complainant had Rights

11. The *Policy* requires the Complainant to show, on a balance of probabilities that “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.”

12. The definition of “Mark” is found in sub-paragraph 3.2 of the *Policy*. Sub-paragraph 3.2(c) provides:

3.2 Mark. A “Mark” is:

...

(c) a trade-mark, including the word elements of a design mark, that is registered in CIPO;

13. The definition of “Rights” is found in sub-paragraph 3.3. Sub-paragraph 3.3(b) provides that a person has Rights in a Mark if:

in the case of paragraph 3.2(c), the Mark is registered in CIPO in the name of that person, that person’s predecessor in title or a licensor of that person;

14. The registered trade-mark is registered in the name of Shop ‘N Chek, Inc. At the date of registration, Shop ‘N Chek, Inc. was a wholly owned subsidiary of the Complainant, Market Force Information, Inc. There is nothing in the Complainant’s submissions to indicate that MFI is a licensee of the Mark which is owned by Shop ‘N Chek. The Complainant’s weak claim to having met the *Canadian Presence Requirements* also undermines any claim to Rights in the Mark.

15. The Complainant must also establish that its Rights in the Mark predate the registration of the disputed domain name.

16. The Canadian registered trade-mark SHOP ‘N CHEK was registered on July 10, 2008 for use in association with the following services:

(1) Business consulting and business research services, namely shopping by researchers who pose as customers to evaluate the quality of service delivered, evaluating customer service and customer satisfaction; market research services; conducting business and market research surveys; conducting operational audits of businesses.

17. The disputed domain name SHOP 'N CHEK.CA was registered on October 15, 2008. The Complainant's trade-mark registration predates the registration of the disputed domain name by the Registrant.

18. The Complainant must establish on a balance of probabilities that the disputed domain name is "Confusingly Similar" to the Mark in which the Complainant has rights. According to paragraph 3.4 of the *Policy*, a domain name is confusingly similar to a Mark when it "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."

19. The Complainant's submissions on the issue of "Confusingly Similar" are as follows:

The Registrant's dot.ca domain name should be considered as confusingly similar to the mark in which MFI had rights prior to the date of registration of the domain name. The mark "shopnchek.ca" is strikingly similar to Shop'n Chek.

This is more assertion than argument. The *Policy* defines "domain name" as "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". Thus, in determining whether the domain name SHOPNCHEK.CA is confusingly similar to the Complainant's Mark SHOP'N CHEK, one should consider only the SHOPNCHEK portion. If this is done, it is clear that the domain name is almost identical to the Complainant's registered trade-mark, with only the absent apostrophe and spacing between words being any different. Although I am of the view that the burden on the Complainant requires more than bare assertions, I am prepared to accept, for the sake of argument, that confusing similarity has been established, although, as noted above, the Complainant has not clearly established that it has rights in the Mark.

Registrant has No Legitimate Interest in the Mark

20. Under sub-paragraph 4.1(c) of the *Policy*, the Complainant must provide some evidence that "the Registrant has no legitimate interest in the domain name". Paragraph 3.6 identifies six circumstances in which a legitimate interest may arise. These are:

- (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.*

21. The Complainant has made the following submissions with respect to the issue of the Registrant's legitimate interest:

- The domain name **was not** a mark that the Registrant used in good faith. The Registrant had no rights whatsoever to the mark; and
- The Registrant **did not** use the domain name in Canada in good faith in association with any wares, services, or business; and
- The Registrant **did not** use the domain name in Canada in good faith in association with any wares, services, or business and the domain name was not understood in Canada to be the generic name thereof in any language; and
- The Registrant **did not** use the domain name in Canada in good faith in association with a non-commercial activity; and
- The domain name **did not** comprise the legal name of the Registrant or was a name, surname or other reference by which the Registrant was commonly identified;
- The domain name **was not** the geographical name of the location of the Registrant's non-commercial activity or place of business; and
- The Registrant **has no** other legitimate interest in the domain name

22. It is certainly the case the providing "some evidence" of a lack of legitimate interest in a case where there is no response by the Registrant may be a challenge. In the past, panelists have accepted evidence of bad faith use of a mark as meeting the threshold for establishing that a registrant had no legitimate interest because Para. 3.6 of the *Policy* requires any uses by a registrant to be in good faith. In *Great Pacific Industries, Inc. v.*

Dhalla, CIRA Dispute #00009, 2003), the panel was prepared to find that failure to respond to the Complainant's correspondence was evidence that the mark was not used in good faith. In this case there appears to be one unanswered letter from MFI to the previous registrant of the domain name, and there has also been no response to the Complaint. In most cases, however, some evidence of the actual present or past use being made of the domain name is also provided to give some context for the argument about legitimate interest. In this case, the Complainant has provided no evidence of the use of the domain name being made by the Registrant, and no actual argument with respect to any of the possible grounds for legitimate interest in paragraph 3.6. In my view, adding a negative to each of the grounds in paragraph 3.6, and placing the negative in bold font does not meet the relatively low threshold of providing "some evidence" that there is no legitimate interest on the part of the Registrant.

Registration in Bad Faith

23. The exclusive bases for a finding of bad faith registration are set out in sub-paragraph 3.7 of the *Policy*. They are:

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;*
- (b) *the Registrant registered the domain name or acquired the Registration in order to prevent the Complainant, or the Complainant's licensor or licensee of the Mark, 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 or acquired the Registration 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*

24. The Complainant's submissions on the issue of bad faith are as follows:

Registrant should be considered as having registered the domain name in bad faith. The acquisition of shopnchek.ca was designed only to disrupt MFI's business, and/or to impermissibly start a competing business using MFI's trademark.

This submission appears to invoke the grounds of bad faith in paragraph 3.7(c).

25. I find that the Complainant has failed to establish on a balance of probabilities that the disputed domain name was registered in bad faith. The Complainant has provided no evidence to support its assertion. Although the Complainant provides a list of prior decisions under the *Policy*, it merely describes these as being "consistent with this complaint". There is no argument to explain how and in what way they are consistent. No evidence is provided about the actual past or present use of the domain name by the Registrant, nor is any argument made based on this use.

26. It should be noted that paragraph 3.7(c) requires the Complainant to demonstrate, on a balance of probabilities, first that the registration was primarily for the purpose of disrupting the business of the Complainant, and second that the Complainant is a competitor of the Registrant. The Complainant has not provided any evidence to support its assertion that the Registrant's intentions were to either disrupt its business or to start a competing business using its trademark.

H. Conclusion

27. I find that the Complainant has not clearly established that it meets the *Canadian Presence Requirements*. Further, the Complainant has not clearly established that they have rights in the Mark at issue. The Complainant has failed to provide "some evidence" that the Registrant had no legitimate interest in the disputed domain name, and the Complainant has also failed to establish, on a balance of probabilities, that the disputed domain name was registered in bad faith. The Complaint is dismissed.

Teresa Scassa

July 27, 2009