

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

Dispute Number: DCA- 1478– CIRA
Domain(s) in Dispute: myloreal.ca
Complainant: L’Oréal SA & L’Oréal Canada Inc.
Registrant: Victor Silva
Registrar: Go Daddy Domains Canada Inc.
Service Provider: British Columbia International Commercial Arbitration Centre
Panel: Elizabeth Cuddihy (Sole Panelist)

DECISION

The Parties

1. The Complainants are L’Oréal SA of 14 Rue Royale, 75008 Paris, France and its Canadian subsidiary, L’Oréal Canada Inc. of 1500 University, Suite 600, H3A 3S7 Montreal, Quebec, Canada, collectively, (the “Complainants”).

2. The Registrant is Victor Silva of 2943 Major Mackenzie Drive, P.O. Box 96740, Maple, Ontario, Canada, L6A OA2 (the “Registrant”).

The Disputed Domain Name and Registrar

3. The Domain name at issue is myloreal.ca, (the “Disputed Domain Name”).

4. The Registrar on the date of the Complaint is Go Daddy Domains Canada Inc.

5. The Disputed Domain Name was registered on October 20, 2011.

Procedural History

6. The British Columbia International Commercial Arbitration Centre (“BCICAC”) is a recognized service provider to the Domain Name Dispute Resolution Policy (the “Policy”) and Rules (the “Rules”) of the Canadian Internet Registration Authority (“CIRA”).

7. The Complainants filed a complaint dated March 11, 2013, (the “Complaint”) with the BCICAC seeking an order in accordance with the Policy and the Rules directing that the registration of the Disputed Domain Name be transferred to the Complainant, L’Oréal Canada Inc. forthwith.

8. The BCICAC determined the Complaint to be in administrative compliance with the requirement of the Rules, and, by letter and email dated March 11, 2013 so advised the parties and forwarded a copy of the Complaint with Annexes to the Registrant by email.

9. The Registrant failed to submit a Response within the timeframe provided pursuant to the Rules. The Complainants have elected to proceed with a single member panel to determine the matter.

10. By letter dated April 12, 2013, the BCICAC appointed the above-named person as the single member panel (the "Panel").

11. Relying on the BCICAC, the Panel deems that it has been properly constituted as a single member panel to determine the Complaint in accordance with the Rules.

12. As the Registrant did not provide a Response to the Complaint, the Panel shall determine the matter on the basis of the Complaint.

Canadian Presence Requirements

13. In order for a Registrant to be permitted to apply for registration of, and to hold and maintain the registration of a dot ca domain name, the Canadian Presence Requirements for Registrants (the "Presence Requirements") require that the applicant meet at least one of the criteria listed as establishing a Canadian presence.

14. Section 2(d) of the Presence Requirements specifies that a corporation under the laws of Canada or any province or territory of Canada satisfies the Presence Requirements. The Complainant, L'Oréal Canada Inc. is the Canadian subsidiary of L'Oréal SA, and is a corporation under the laws of Canada with headquarters in Montreal, Quebec, Canada.

15. Furthermore, Section 2(q) of the Presence Requirements specifies that a Person who does not meet any of the conditions specified in section 2 (a) to (p) inclusively, 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, satisfies the requirement, provided the .ca domain name consists or includes the exact word component of that registered trade-mark.

16. The Complainant, L'Oréal SA is the owner of several trade-mark registrations worldwide including Canada and consisting of and including the sign and word mark L'OREAL and, is the owner of the trade-

mark L'OREAL (L'OREAL Mark), registered in the Canadian Intellectual Property Office, (CIPO) as No. TMDA29020 since August 12, 1921 and continuously renewed to date.

16. Accordingly, as the Complainant, L'Oréal Canada Inc. is a corporation under the laws of Canada with its headquarters in Montreal, Quebec, Canada, and as the Complaint relates to a Disputed Domain Name which includes the exact word component of a Mark registered in CIPO and owned by the Complainant, L'Oréal SA, the Presence Requirements are satisfied as to each of the Complainants.

The Position of the Parties

The Complainant's Position

17. The Complainants' origins date back to the beginning of the twentieth century: the company, *Société Française des Teintures Inoffensives pour Cheveux*, that later became known as L'Oréal, was founded in 1909, formulating and manufacturing hair care products for sale originally to Parisian hairdressers. The business progressively expanded worldwide and officially changed its name to L'Oréal in 1939 and established its headquarters in Paris, France at 14 Rue Royale. Its headquarters worldwide remain at the same location.

18. The Complainant, L'Oréal SA is the owner of several trade-mark registrations worldwide consisting of or including the sign and the word L'OREAL Mark. L'Oreal SA is the owner of over twenty (20) trade-marks registered in CIPO including the sign and word mark L'OREAL since many years. In particular the L'OREAL Mark was first registered in CIPO as NO 29020 on August 12, 1921 and duly renewed thereafter for wares 1 (HAIR WASHES, HAIR SPRAYS, HAIR LOTIONS, HAIR SHAMPOOS, HAIR WAVING LOTIONS, HAIR RINSES, HAIR CONDITIONERS, HAIR COLOURING SHAMPOOS). The Complainants general trade-mark, L'OREAL is registered in more than 70 countries including Canada and has been used for over 80 years in connection with beauty and hair care products.

19. The Complainant L'Oréal SA is one of the world's largest companies in the field of cosmetic and beauty products which are marketed through a wide variety of distribution channels from hair salons and perfumeries to supermarkets, health/ beauty outlets, pharmacies and direct mail. Currently the Complainant, L'Oréal SA is present worldwide, with more than 70 subsidiaries, and its products are marketed in over 130 countries including Canada with 27 global brands which have been used in connection with its consumer, luxury and professional cosmetics and beauty products.

20. The Complainants' sale volumes in Canada at the end of 2011 were in excess of 767 Million US Dollars. The Complainants' L'OREAL Mark enjoys a worldwide reputation and has been included in

Interbrand's, "BEST GLOBAL BRANDS" and ranks amongst the first fifty most valuable trade-marks in the world since 2002. The L'ORÉAL Mark can be valued at 8,821 Million US Dollars.

21. The Complainants allege a strong presence online through social media, i.e. Facebook, Twitter, YouTube and have registered over 5000 domain names worldwide, including under the ccTLD .ca, consisting of, or comprising the words L'OREAL and variations thereof. The list of domain names registered under the different TLDs includes, amongst others, loreal.com, l-oreal.com, myloreal.com, my-loreal.com, mylorealparis.com, loreal.ca, lorealparis.ca, loreal-paris.ca. The Complainants' primary presence on the Internet in Canada is the web site <http://www.lorealparis.ca>. On that website, there is a reserved area made available for registered users, named myL'ORÉAL, which allows users to receive periodical newsletters on products and offers. Between August 2011 and June 2012 the web site has generated in excess of 78,000 Page views.

22. In light of the Complainants' significant investment in research and development, marketing, sales and distribution channels, its internet presence as well as the existence of a truly impressive client base for their products, the L'OREAL Mark is undisputedly a famous and well-known trade-mark worldwide including in Canada.

23. The Registrant registered the Disputed Domain Name on October 20, 2011. The Disputed Domain Name web site redirects to a page publishing various sponsored links and a notice that the domain name is available for sale through Godaddy Auctions at a starting price of \$8,500 US Dollars. The sponsored links are related to products for which the Complainants use the L'OREAL Mark and to websites related to other of the Complainants' trade-marks as well as links to competitors of the Complainants offering the sale of competitive beauty products.

24. The Complainants have not licensed or authorized the use of the L'OREAL Mark on the Registrant's web site and are in no way associated or affiliated with the Registrant.

25. The Complainants first became aware of the registration of the Disputed Domain Name on March 19, 2012, when the Registrant contacted the Complainant, L'Oréal Canada Inc. by letter dated March 19, 2012 with, *inter alia*, an unsolicited offer for sale of the Disputed Domain Name. The Complainants responded through its authorized representative with a Cease and Desist letter and requested the transfer of the Disputed Domain Name. In spite of several follow-up reminders, the Registrant provided no response. The Registrant's Disputed Domain Name continues to redirect to sponsored links as described in paragraph 23 above and a notice that the domain name continues to be available for sale at a lower price than offered prior to the Cease and Desist letter; namely at, 576 Euro or 750 US Dollars.

26. The Complainants, as owner of the L'Oréal Mark registered in CIPO, which L'OREAL Mark was well known to the public prior to the registration of the Disputed Domain Name by the Registrant, claims that the Disputed Domain Name is confusingly similar to the Complainants' L'OREAL Mark, in which the Complainants had rights prior to the registration of the Disputed Domain Name, that the Registrant registered the Disputed Domain Name in bad faith and that the Registrant has no interest in the Disputed Domain Name. Accordingly the Complainants request an Order transferring the Disputed Domain Name to the Complainant, L'Oréal Canada Inc, its Canadian subsidiary forthwith.

The Registrant's Position

27. The Registrant did not file a Response.

Analysis and Findings

28. The purpose of the Policy as stated in paragraph 1.1 of the Policy is to provide a forum by which cases of bad faith registration of dot-ca domain names can be dealt with relatively inexpensively and quickly. The Policy does not apply to other types of differences between owners of trade-marks and Registrants of Domain names.

Relevant provisions of the Policy are provided below

29. Paragraph 4.1 of the Policy provides

- 4.1 **Onus.** To succeed in a 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 3.5; and the Complainant must provide some evidence that:
 - (c) the Registrant has no legitimate interest in the domain name as described in paragraph 3.4.
- 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 3.4.

30. Paragraph 3.2 of the Policy provides in part

- 3.2 **Mark.** A "Mark" is
- (a) A trademark, including the word elements of a design mark, or a trade name that has been used in Canada by a person, or a 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 for the wares, services or business of another person;

31. Paragraph 3.3 provides

3.3 **Confusingly Similar.** In determining whether a domain name is “Confusingly Similar” to a Mark, the Panel shall only consider whether the domain name so nearly resembles the Mark in appearance, sound or the ideas suggested by the Mark as to the likely to be mistaken for the Mark.

32. Paragraph 3.4 provides:

3.4 **Legitimate Interest.** For the purposes of paragraphs 3.1(b) and 4.1(c), any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate that the Registrant has a legitimate interest in the domain name:

- (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 registered 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

In paragraphs 3.4 (d) “use” by the Registrant includes, but is not limited to, use to identify a web site.

33. Paragraph 3.5 provides:

3.5 **Registration in Bad Faith.** For the purposes of paragraph 3.1(c) and 4.1(b), any of the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence that a Registrant has registered a domain name in bad faith:

- (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 Registrants’ 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;
- (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; or
- (d) The Registrant has intentionally attempted to attract for commercial gain, Internet users to the Registrant’s website or other on-line location, by creating a likelihood of confusion with the Complainant’s Mark as to the source, sponsorship, affiliation or endorsement of the Registrant’s website or location or of a product or service on the Registrant’s website or location.

34. In summary, to succeed in a proceeding, the Complainant must prove on a balance of probabilities that:

1. The dot-ca domain name is confusingly similar to a Mark in which the Complainant had rights prior to the registration of the domain name and continues to have such rights;
2. The Registrant has registered the domain name in bad faith; and
3. The Complainant must provide some evidence that the Registrant has no legitimate interest in the domain name.

Notwithstanding the above, the Registrant will succeed if the Registrant proves on a balance of probabilities that he has a legitimate interest in the domain name.

Confusingly Similar

35. Evidence shows that the Complainant L'Oréal SA was founded in 1909 and is the owner of the mark L'ORÉAL Mark as registered in CIPO as No. TMDA29020 on August 12, 1921 and continuously renewed at the aforesaid CIPO as well as owner of over 20 other CIPO registered trade-marks including the sign L'OREAL since many years. The evidence further shows that the Complainants are recognized worldwide including Canada for their products manufactured and sold using the L'ORÉAL Mark.

36. In accordance with Paragraph 3.3 of the Policy, 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 mistaken for the Mark. In assessing similarity, Paragraph 1.2 of the Policy provides that the dot-ca suffix of the domain name is ignored. It is the narrow resemblance test that is applied.

37. The Disputed Domain Name incorporates the whole of the Complainants' L'OREAL Mark and differs only from that Mark by the addition of the non-distinctive element "my" before the word "L'OREAL" and the omission of an apostrophe following the "L".

38. It is a well established principle that a domain name that wholly incorporates a Mark in particular one as famous as the one in this case will be found to be confusingly similar to the Mark despite the fact that the domain name may also contain a descriptive or generic term.

39. With respect to the addition of the "my" before the L'OREAL Mark, in the Disputed Domain Name, reference is made to *Magna International Inc. v. Victor Silva*, Case 00212, September 13, 2012 where it was held that word "my" was not *prima facie* sufficiently distinctive to distinguish the disputed domain name from the Complainant's mark. As to the omission of the apostrophe, the addition or deletion of grammatical marks such as hyphens, apostrophes and circumflexes are insignificant changes, insufficient to reduce the identity or confusing similarity.

40. Accordingly for the reasons noted above, the Disputed Domain Name is confusingly similar to the Complainants' L'OREAL Mark.

Rights in the Mark prior to the registration of the Disputed Domain Name and continuing rights

41. As noted in paragraph 35 above, the Complainant, L'Oréal SA was founded in 1909 and owns the L'OREAL Mark registered in CIPO since 1921 and has manufactured and sold its products worldwide including Canada and continues to do so under the L'OREAL Mark since the early 1900s.

42. The Registrant registered the Disputed Domain Name on October 20, 2011.

43. Accordingly the Panel is satisfied that the Complainants had rights in the L'OREAL Mark prior to the registration of the Disputed Domain Name by the Registrant and the Complainants continue to have such rights.

43. The Panel is accordingly satisfied that the Complainants have met the burden of proof in that regard.

Was the Disputed Domain Name registered in bad faith?

44. The Complainants rely on Paragraphs 3.5 (a), (b), (c) and (d) of the Policy in support of their claim.

Paragraph 3.5 (a)

45. Referring to Paragraph 3.5(a), of the Policy, the Complainants allege that the Registrant registered the Disputed Domain Name primarily for the purpose of selling, renting or 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.

46. Evidence shows that by letter dated March 19, 2012, the Complainant, L'Oréal Canada Inc. received an unsolicited letter from the Registrant claiming to own the Disputed Domain Name and offering it to the Complainant for a reasonable value.

47. On further investigation the Complainants became aware that the Registrant had registered the Disputed Domain Name on October 20, 2011 and that the Disputed Domain Name redirected to a page publishing various sponsored links and a notice that the Disputed Domain Name was available for sale through Godaddy Auctions at a starting price of 8,500 US Dollars. The sponsored links include the Complainants' products for which the Complainants use the L'OREAL Mark as well as other of their

products using other of their trade-marks as well as links to competitors of the Complainants offering the sale of beauty products.

48. Evidence further shows that on April 30, 2012, the Complainants, through their authorized representative, notified the Registrant of the infringement of the Complainants' intellectual property rights and requested the Registrant to Cease and Desist infringing the Complainants' rights and further requested an immediate transfer of the Disputed Domain Name to the Complainants. In spite of several follow-up written communications to the Registrant, the Complainants received no response and the Disputed Domain Name continues to redirect to sponsored links as noted above, including competitors of the Complainants' products and the Disputed Domain Name continues to be offered for sale, although at a lower price of 750 US Dollars.

49. The Complainants' allege that even though the Registrant appears to have lowered its price for the Disputed Domain Name, it continues to be for sale online and that more likely the target price for the Disputed Domain Name is 8,500 US Dollars which is well in excess of the out-of-pocket costs directly related to the registration of the Disputed Domain Name. Reference is made to *Government of Canada, on behalf of Her Majesty the Queen in Right of Canada v. David Bedford in his own name and doing business as Abundance Computer Consulting*, CIRA Case 00011, May 27, 2003 where an amount of 300 US Dollars was considered in excess of the documented out-of-pocket costs. Reference is also made to *Spafinder, Inc. v. Ontario Spa Inc.* CIRA Case 00108, August 18, 2008 where it was held that a failure to respond to a Cease and Desist letter can be evidence of bad faith.

50. Based on the above, the Panel is satisfied that the Complainants have shown bad faith by the Registrant in accordance with Paragraph 3.5(a) of the Policy.

Paragraph 3.5(b)

51. Referring to Paragraph 3.5(b) of the Policy, the Complainant alleges that the Registrant has registered the Disputed Domain Name in order to prevent the Complainant from registering the domain Name provided that the Registrant has engaged alone or in concert with others in a pattern of registering Third Party trade-marks.

52. Evidence shows that the Registrant has registered at least five other domain names including myferrero.ca, myferrerorocher.ca and mynivea.ca, which contain trade-marks belonging to third party well-known trade-mark owners. The Complainants allege this action is sufficient to establish that the Registrant has engaged in a pattern of registering Third Party trade-marks and make reference to the case of *Handi Foods Ltd. v. Bob Jenkins*, CIRA Case No. 00128 where the Panel ruled that as few as two domain name registrations of third party trade-marks were sufficient to establish that a Registrant had engaged in a pattern of registering domain names that incorporate third party trade-marks. In addition,

the Panel notes that the Registrant has been the subject of several prior proceedings in which the Registrant was found to have abusively registered and used third party trade-marks. (See *Magna International Inc. v. Victor Silva*, CIRA Decision 00212, September 13, 2012 *Magna International Inc. v. Victor Silva*, WIPO Case No. D2012-1561-1561, *Mars, Incorporated v. Victor Silva*, NAF Case No. 1452966)

53. Based on the above, the Panel is satisfied that the Complainant has satisfied its burden of proof of bad faith in respect of Paragraph 3.5(b).

Paragraph 3.5(c)

54. Referring to Paragraph 3.5(c) of the Policy, the Complainants allege that the Registrant registered the Disputed Domain Name primarily for the purpose of disrupting the business of the Complainants, who is a competitor of the Registrant.

55. Evidence shows that without consent or authority of the Complainants, the Registrant registered the Disputed Domain Name which contains the whole of the Complainant's L'OREAL Mark. The Disputed Domain Name is linked to a web page where Internet users can find a number of sponsored links to Complainants and various third-parties websites, including competitors of the Complainants offering beauty products which compete with those of the Complainants. This is likely to cause consumers to believe that the Registrant's Disputed Domain Name is endorsed, sponsored or approved by the Complainants, which is not the case.

56. The Complainants referred to *Magna International Inc. v. Victor Silva*, CIRA Case N0.00212 where the Panel held that

When a Registrant takes a famous name and, without permission or authority, uses it as a basis for a domain name and then promotes competing goods and services, the only rational conclusion that can be reached is that this was being done by the Registrant to cast himself in the role of a competitor of the Complainant and to disrupt the Complainant's business and divert business to himself...

57. The Panel agrees that the Registrant's use of the Disputed Domain Name, which is confusingly similar to the Complainants' L'OREAL Mark and which links to the Complainants and to competitors of the Complainants, casts himself as a competitor and is likely to cause consumers to believe that the Disputed Domain Name is endorsed, sponsored or approved by the Complainants and disrupts the business of the Complainant.

58. For the reasons noted above, the Panel is satisfied that the Complainant has met the burden of proof that the Registrant registered the Disputed Domain Name in bad faith in accordance with Paragraph 3.5 (c) of the Policy.

Paragraph 3.5(d)

59. Referring to Paragraph 3.5 (d) of the Policy, the Complainant argues that the Registrant registered the Disputed Domain Name in an intentional attempt to attract, for commercial gain, Internet users to the Registrant's web site or other on-line location, by creating a likelihood of confusion with the Complainants L'OREAL Mark as to the source, sponsorship, affiliation, or endorsement of the Registrant's website or location or of a product.

60. The Complainants allege that since the Registrant registered the Disputed Domain Name which incorporates in its entirety the Complainants' well-known L'OREAL Mark, the Registrant was undoubtedly aware of the existence of the Complainants' L'OREAL Mark at the time of registration of the Disputed Domain Name and intended to capitalize on the reputation of the Complainants' L'OREAL Mark by offering the Disputed Domain Name for sale to the legitimate owners of the L'OREAL Mark and to divert Internet users seeking information about the Complainants' to its own website in order to earn revenues through the sponsored links published on its website.

61. Evidence shows that the Disputed Domain Name is currently linked to a web page where Internet users can find a number of sponsored links to Complainants and various third parties' websites, including those of competitors of the Complainants. As a result the Registrant and/or the Disputed Domain Name holder generates revenues for the sponsored links published thereon whenever an Internet user visits the website and clicks one of the sponsored links.

62. The Panel agrees with the Complainants' reasoning as to bad faith in accordance with Paragraph 3.5(d) of the Policy on the part of the Registrant and accordingly is satisfied that the Complainants have satisfied the burden of proof in that regard.

Legitimate Interest of the Registrant

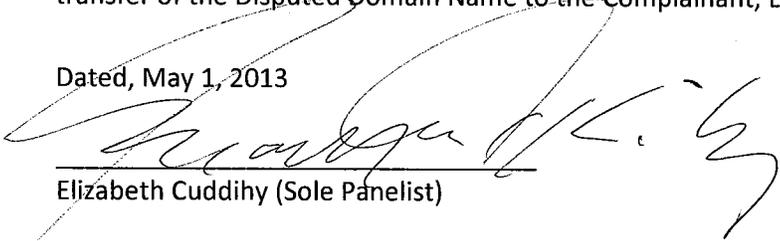
63. The Panel is satisfied that the Complainant has provided some evidence that the Registrant does not have a legitimate interest in the Disputed Domain Name as required by Paragraphs 3.4 and 4.1(c). The Registrant has provided no Response to the Complaint.

64. Accordingly the Panel concludes that the Registrant has no legitimate interest in the Disputed Domain Name.

Decision

65. For the reasons set out herein, the Panel decides in favour of the Complainants and orders the transfer of the Disputed Domain Name to the Complainant, L'Oréal Canada Inc. forthwith.

Dated, May 1, 2013


Elizabeth Cuddihy (Sole Panelist)