

**IN THE MATTER OF A COMPLAINT MADE PURSUANT TO THE CANADIAN
INTERNET REGISTRATION AUTHORITY DOMAIN NAME DISPUTE
REGISTRATION RESOLUTION POLICY (v 1.3) AND ACCOMPANYING RULES**

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Registrant: Victoria Hansen
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(the “Registrant”)

Disputed Domain Names: skechers.ca and sketchers.ca
(collectively the “Domain Names”)

Registrar: MYID.ca Inc.

Single Member Panel: R. John Rogers

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

BCICAC File: DCA-2247 - CIRA

PROCEDURAL HISTORY

The BCICAC is a recognized service provider pursuant to the Domain Name Dispute Resolution Policy (v 1.3) (the “Policy”) and Rules (the “Rules”) of the Canadian Internet Registration Authority (“CIRA”).

On June 30, 2020, the Complainant filed a complaint (the “Complaint”) with the BCICAC. In the Complaint, the Complainant seeks an order in accordance with the Policy and the Rules directing that the registration of the Domain Names be transferred from the Registrant to the Complainant.

The BCICAC determined the Complaint to be in administrative compliance with the requirements of Rule 4.2 and, by way of an emailed letter dated July 2, 2020 (the “Transmittal Letter”), forwarded a copy of the Complaint to the Registrant to serve as notice of the Complaint in accordance with Rules 2.1 and 4.3. The Transmittal Letter determined the date of the commencement of proceedings in accordance with Rule 4.4 to be July 3, 2020. The Transmittal Letter advised the Registrant that in accordance with the provisions of Rule 5, a Response to the Complaint was to be filed within 20 days of the date of commencement of proceedings, or July 23, 2020. Delivery of this email to the Registrant was confirmed by the BCICAC on July 2, 2020.

By an email dated July 24, 2020, the BCICAC advised the parties that as the BCICAC had not received a Response to the Transmittal Letter by July 23, 2020 as required by Rule 5.1, that pursuant to Rule 6.5, the Complainant had the right to elect that the panel in this matter be converted from a three member panel to a single member panel.

The Complainant elected to proceed with a single member panel and the undersigned was appointed by the BCICAC as the Single Member Panel by letter dated July 28, 2020, copies of which letter were sent by email to both the Complainant and the Registrant. The undersigned has confirmed to the BCICAC that he can act impartially and independently as the Single Member Panel in this matter.

The undersigned determines that he has been properly appointed and constituted as the Single Member Panel to determine the Complaint in accordance with the Rules.

CANADIAN PRESENCE REQUIREMENTS

Section 1.4 of the Policy requires that in order to initiate the Complaint, the Complainant at the time of the initiation of the Complaint must satisfy the Canadian Presence Requirements for Registrants v 1.3 (the “CPR”) in respect of the domain name that is the subject of the Complaint.

Section 2 of the CPR lists the types of individuals and entities who are permitted to apply for the registration of and to hold and maintain the registration of a .ca domain name. As the Complaint provides that the Complainant is a Virginia Corporation, headquartered in Manhattan Beach,

California, U.S.A., the only provision of Section 2 of the CPR which applies to the Complainant is section 2 (q) which states:

2 (q) Trade-mark registered in Canada. 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; or

In the matter at hand, the Complainant has provided evidence of its ownership of seven trademarks for the mark SKECHERS registered with the Canadian Intellectual Property Office (“CIPO”). It is obvious that the domain name <skechers.ca> is a domain name “consisting of or including the exact word component” of the mark SKECHERS. Therefore, with respect to the domain name <skechers.ca>, the Complainant has satisfied the CPR provisions.

However, such evidence is not provided for the mark SKETCHERS. Therefore, unlike with the domain name <skechers.ca>, such “permission” is not granted to the domain name <sketchers.ca> as it does not consist of or include the exact word component of a registered Canadian trademark.

As the Complainant might indeed own a Canadian trademark for the mark SKETCHERS or otherwise be in a position to satisfy Section 2 of the CPR with respect to the <sketchers.ca> domain name, pursuant to Rule 11.1 of the Rules, the Complainant is granted the opportunity until September 30, 2020 to file further evidence of its ability to satisfy the CPR with respect to the <sketchers.ca> domain name.

ALL TECHNICAL REQUIREMENTS MET

Based upon the information provided by the BCICAC and the Complainant, the panel finds that all technical requirements for the prosecution of this proceeding with respect to the <skechers.ca> domain name have been met.

FACTS OFFERED BY THE COMPLAINANT

The facts in the Complaint might be summarized as follows:

1. The Complainant is the owner of multiple trademark registrations throughout the world for the trademark SKECHERS.
2. From its headquarters in Manhattan Beach, California the Complainant operates globally through 3,575 stores and 70 offices and showrooms in over 170 countries, and its securities are traded on the New York Stock Exchange under the symbol SKX.
3. Until the Complainant began opening its own Canadian stores and selling its SKECHERS branded goods directly to Canadian consumers in 2001, it sold into the Canadian market through the Complainant’s third-party wholesale partners.

4. There are currently 55 SKECHERS retail stores and factory outlets located across Canada and the brand SKECHERS has become recognized in the Canadian fashion and activewear industries as being associated with trendy shoes, apparel and accessories for people of every age and lifestyle.
5. Since the founding of the SKECHERS brand in 1992, the Complainant's net sales have grown from 1.01 billion USD in 2005 to 5.5 billion USD in 2019, of which 2019 sales, over half have occurred outside the U.S.A.
6. The Complainant's direct-to-consumer website <skechers.com> has Canadian dollar prices and can be viewed in either English or French.
7. In addition to the seven SKECHERS trademarks registered in Canada as above referenced, the Complainant owns eighteen other trademarks registered with the CIPO which include the mark SKECHERS along with a design or other words for use in association with a variety of goods and services (collectively the "SKECHERS Trademarks").
8. From at least May 27, 2005, the Complainant owned and used the domain name <skechers.ca>. This registration remained in good standing until January 29, 2019 on which date it expired due to non-renewal.
9. The registration of the <skechers.ca> domain name, the subject of the Complaint, was registered by the Registrant on April 17, 2019 following the publication by CIRA of the weekly To Be Released list.
10. The Registrant is not authorized to use or to be associated with any of the Complainant's SKECHERS Trademarks.
11. Following registration of the <skechers.ca> domain name by the Registrant on the first day that it was available to the public, the domain name resolved to a website inviting the purchase of the domain name. After the Complainant contacted the Registrant in April 2020, the purchase link was removed and the domain name has been advertised for sale on the GoDaddy registration website.
12. The Registrant has also registered the domain name <ziebart.ca>.
13. There are eight Canadian trademark registrations incorporating the ZIEBART brand. The Registrant does not appear to have any right to use the ZIEBART brand.
14. The domain name <ziebart.ca> does not resolve to a website, and this domain name is advertised for sale at 10,000 USD.

FACTS OFFERED BY THE REGISTRANT

As was noted above, the Registrant has not filed a Response.

REMEDIES SOUGHT

The Complainant seeks an order from the Panel in accordance with paragraph 4.3 of the Policy instructing the Registrar of the domain name <skechers.ca> to transfer the domain name <skechers.ca> to the Complainant.

THE POLICY

The purpose of the Policy as stated in paragraph 1.1 of the Policy is to provide a forum in which cases of bad faith registration of .ca domain names can be dealt with relatively inexpensively and quickly.

Paragraph 4.1 of the Policy puts the onus on the Complainant to demonstrate this “bad faith registration” by proving on a balance of probabilities that:

1. One or more of the trademark registrations comprising the SKECHERS Trademarks qualify as a “Mark” as defined in paragraph 3.2 of the Policy;
2. the Complainant had “Rights” in the SKECHERS Trademarks prior to the date of registration of the domain name <skechers.ca> and continues to have “Rights” in the SKECHERS Trademarks,
3. the domain name <skechers.ca> is “Confusingly Similar” to one or more of the trademark registrations comprising the SKECHERS Trademarks as the concept of “Confusingly Similar” is defined in paragraph 3.3 of the Policy;
4. the Registrant has no “legitimate interest” in the <skechers.ca> domain name as the concept of “legitimate interest” is defined in paragraph 3.4 of the Policy; and
5. the Registrant has registered the domain name <skechers.ca> in “bad faith” in accordance with the definition of “bad faith” contained in paragraph 3.5 of the Policy.

If the Complainant is unable to satisfy this onus, bad faith registration is not demonstrated and the Complaint fails as it pertains to <skechers.ca>.

MARK

In the matter at hand, the relevant portions of paragraph 3.2 of the Policy states that for the purpose of the Policy a “Mark” is:

1. a trademark, 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;

Since at least 2001, the Complainant has used at least one of the trademark registrations involving the SKECHERS Trademarks in Canada to distinguish its provision of wares, services or business from another provider of similar wares, services or business.

This use by the Complainant of the SKECHERS Trademarks commenced well before the registration of the <skechers.ca> domain name by the Registrant on April 17, 2019.

The Complainant continues to so use the SKECHERS Trademarks.

The panel finds that the Complainant has established that the one or more of the trademark registrations involving the SKECHERS Trademarks qualifies as a “Mark” for the purposes of paragraph 3.2(a) of the Policy.

RIGHTS

Paragraph 3.1 of the Policy requires that the Complainant have “Rights” in the SKECHERS Trademarks. Unfortunately, the term “Rights” is not defined in the Policy.

However, given the evidence before the panel of the Complainant’s ownership and use of the SKECHERS Trademarks in Canada, the panel finds that the Complainant has “Rights” in the SKECHERS Trademarks for the purpose of paragraph 3.1 of the Policy.

CONFUSINGLY SIMILAR

The Policy in paragraph 3.3 provides that the domain name <skechers.ca> will be found to be “Confusingly Similar” to the SKECHERS Trademarks only if the domain name <skechers.ca> so nearly resembles one or more of the trademark registrations included in the SKECHERS Trademarks in appearance, sound or the ideas suggested by the SKECHERS Trademarks as likely to be mistaken for one or more of the registrations included in the SKECHERS Trademarks

As paragraph 1.2 of the Policy defines the <skechers.ca> for the purpose of this proceeding to exclude the .ca suffix, the portion of the domain name <skechers.ca> consisting of “skechers” is the portion relevant for consideration and is obviously the same.

As the relevant portion of the <skechers.ca> domain name consists of the SKECHERS Trademarks, the panel finds that the Complainant has satisfied the onus placed upon it by paragraph 3.3 of the Policy and has demonstrated that the <skelchers.ca> domain name so nearly resembles the Complainant’s SKECHERS Trademarks in appearance, sound or the ideas suggested by the Complainant’s SKECHERS Trademarks as to be likely to be mistaken for the Complainant’s SKECHERS Trademarks.

NO LEGITIMATE INTEREST

Paragraph 4.1 of the Policy requires that to succeed in the Complaint, the Complainant must provide some evidence that the Registrant has no legitimate interest in the <skechers.ca> domain name as the concept of “legitimate interest” is provided for in paragraph 3.4 of the Policy.

Paragraph 3.4 of the Policy provides that the Registrant has a legitimate interest in a domain name if:

1. the domain name was a Mark, the Registrant used the Mark in good faith and the Registrant had Rights in the Mark;
2. 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:

Domain Names: skechers.ca and sketchers.ca
Skechers USA, Inc.
and
Victoria Hansen
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- 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;
3. 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;
 4. 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;
 5. 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
 6. the domain name was the geographical name of the location of the Registrant's non-commercial activity or place of business.

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

It is to be noted that in paragraphs 3.4 1., 3.4 2., 3.4 3., and 3.4 4. there is a requirement that the Registrant use the <skechers.ca> domain name "in good faith" and for the purpose of promoting its wares, services or business. The evidence before the panel is not that the Registrant was a licensee or authorized user of any of the SKECHERS Trademarks, or that it used the domain name <skechers.ca> in good faith. Rather, the evidence is that following the Complainant's inadvertent failure to renew the registration of the domain name <skechers.ca>, the Registrant effected its registration and currently has on offer for sale the <skechers.ca> domain name, certainly evidence of cyber-squatting.

The Registrant's name is not included in the domain name <skechers.ca> nor is there a geographical reference, so the provisions of paragraphs 3.4 5. and 3.4 6. do not apply.

The panel therefore finds that the Complainant has provided some evidence that the Registrant has no legitimate interest in the domain name <skechers.ca>.

BAD FAITH

Under paragraph 3.5 of the Policy, the Registrant will be considered to have registered the domain name <skechers.ca> in bad faith if, and only if, the Complainant can demonstrate that the Registrant in effecting the registration of the domain name <skechers.ca> was motivated by any one of the four general intentions set out in paragraph 3.5.

Of these intentions, the forms of intention contained in paragraphs 3.5.1 and 3.5.2 appear to be the most applicable to the matter at hand.

Paragraphs 3.5 1. and 3.5 2. provide as follows:

1. 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;
2. 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;

Based upon the evidence before the panel of the Registrant doing little more with the domain name <skechers.ca> other than offering it for sale, the panel finds that the Complainant has satisfied the provisions of paragraph 3.5 1. of the Policy by establishing that that the Registrant registered the domain name <skechers.ca> primarily for the purpose of selling, renting, licensing or otherwise transferring the domain name <skechers.ca>.

In addition, based upon the evidence of the Registrant having also registered the domain name <ziebart.ca> with no apparent right to use the trademark ZIEBART, and it offering this domain name for sale for 10,000 USD, the panel finds that the Complainant has established that the Registrant has engaged in the pattern of activity referenced in paragraph 3.5 2.

DECISION

As was above set out, paragraph 4.1 of the Policy provides that to be successful in the Complaint the Complainant has the onus of proving on a balance of probabilities three specific items and of providing some evidence that the Registrant has no legitimate interest in the domain name <skechers.ca>.

The panel finds that the Complainant has satisfied this onus with respect to all three of these items by demonstrating that the SKECHERS Trademarks qualifies as a Mark in accordance with paragraph 3.2 of the Policy; that the domain name <skechers.ca> is Confusingly Similar to the Complainant's SKECHERS Trademarks; and that the Registrant has registered the <skechers.ca> domain name in bad faith in accordance with the provisions of paragraph 3.5 of the Policy.

The panel also finds that the Complainant has shown some evidence that the Registrant does not have a legitimate interest in the <skechers.ca> domain name in accordance with the provisions of paragraph 3.4 of the Policy.

The panel therefore finds that the Complainant has satisfied the onus placed upon it by paragraph 4.1 of the Policy and is entitled to the remedy sought by it with respect to the <skechers.ca> domain name.

The panel orders that the domain name <skechers.ca> be transferred to the Complainant.

The panel further orders that unless, as provided for above, by September 30, 2020 the Complainant has filed further evidence to satisfy the CPR with respect to the <sketchers.ca> domain name, that the Complaint be dismissed with respect to the <sketchers.ca> domain name.

Dated: August 14, 2020.

“R. John Rogers”

R. John Rogers
Single Member Panel