

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

Complainant: Glaxo Group Limited

Complainant Counsel: Eric Macramalla, Esq
Gowling Lafleur Henderson LLP
160 Elgin Street, Suite 2600
Ottawa, Ontario
K1P 1C3 Canada

Registrant: Defining Presence Marketing Group Inc. (Manitoba)

Disputed Domain Name: ZYBAN.CA

Registrar: TransitionalMedia Inc

Panelist: Elizabeth Cuddihy, QC

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

BCICAC File Number: DCA-780-CIRA

On July 2, 2004, the Complainant filed a complaint against the Registrant with the BCICAC seeking that the Registrant’s right to ownership of the domain name, ZYBAN.CA, (the “Disputed Domain Name”) be arbitrated in accordance with CIRA’s Domain Name Dispute Resolution Rules (the “Resolution 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.

The Complaint was reviewed by the BCICAC, as service provider and found to be in administrative compliance with the Policy and the Rules in accordance with the provisions of Rule 4.2. The BCICAC so advised the parties and forwarded a copy of the Complaint to the Registrant for his response.

In accordance with paragraph 2(q) of the CIRA *Policies, Procedures and Guidelines: Canadian Presence Requirements for Registrants*, the disputed domain name ZYBAN.CA consists of the exact word component of the Complainant’s owned Canadian registered trademark ZYBAN, registration No. TMA 505,544 (the “ZYBAN mark”). Accordingly, the Complainant meets the Canadian Presence Requirements of paragraph 1.4 of the Policy.

The Registrant did not respond to the Complaint within the twenty (20) day period within which the Registrant's response is to be filed pursuant to Rule 5 of the Rules. The BCICAC advised the Complainant of the lack of response by the Respondent and in accordance with Rule 6.5, the Complainant gave notice to the Service Provider, BCICAC to convert to a single member Panel.

By letter dated August 9, 2004, the BCICAC acting in accordance with Paragraph 6 of the Rules named the Panel for this arbitration. As the Complaint was filed in English and as the Registrant has not responded, English is the designated language of the proceeding.

LACK OF RESPONSE

The Panel is advised by the BCICAC that the Complaint was communicated to the Registrant in accordance with the Rules and that no response has been received. Rule 5.8 provides that the Panel shall decide the matter on the basis of the complaint as submitted by the complainant in the event that the Registrant does not submit a response within the period for submission.

Accordingly Rule 5.8 applies to the matter at hand and the Panel is determining the matter on the basis of the Complaint as filed by the Complainant.

FACTS

According to the Complaint, the Complainant, a subsidiary of GlaxoSmithKline ("GSK") is the registered owner of the ZYBAN mark registered in the Canadian Intellectual Property Office December 15, 1998. GSK is the owner of the domain name ZYBAN.COM which was registered March 18, 1997 and one of the leading research-based pharmaceutical and healthcare companies, working to discover, develop, manufacture and market medicines. Among GSK's numerous successful pharmaceutical products is the ZYBAN product, which has proven to be very effective in the treatment of smoking cessation and nicotine addiction and as a result has become famous in Canada and worldwide.

According to its Annual Report for 2003, GSK generated sales of USD\$35.2 billion worldwide, employs over 100,000 people and spent USD\$5 billion on research and development in 2003. The ZYBAN.COM website generates significant Internet traffic, a monthly average of over 20,000 unique visitors based on a survey of visitor traffic between January 2004 and April 2004. As a result of extensive use and promotion predating the domain name registration, the ZYBAN mark has achieved vast and unparalleled public recognition and an exceptional reputation in Canada

According to the Complaint, the Registrant specializes in search engine positioning services, and assists parties in achieving favourable Internet standing among search results, the whole as evidenced by copies of printouts of the Registrant's website located at dpmg.com and Internet advertising dated April 30, 2004.

The ZYBAN.CA domain name was registered December 31, 2003 as evidenced by copies of Registrant information from CIRA's Whois database for ZYBAN.CA dated April 30, 2004 and June 22, 2004..

According to the Complaint, ZYBAN.CA website resolves to a website operated by Fast Easy Pharmacy, which offers pharmaceutical products for sale online. Among these products is the Complainant's ZYBAN product, as well as competitor products of the Complainant manufactured by other pharmaceutical companies.

The Complainant maintains that there has never been any relationship between the Complainant and the Registrant, nor has the Registrant been licensed or authorized to use the ZYBAN mark in Canada or otherwise, in any manner, including in, or as part of, a domain name.

As evidenced by copies of correspondence provided by the Complainant, exchanged between March 24, 2004 and May 19, 2004, the Complainant, through its legal counsel attempted to resolve the alleged misuse of the ZYBAN mark and the transfer to the Complainant of the ZYBAN.CA domain name without success.

REASONS

Paragraph 4.1 of the Policy places the onus on the Complainant to prove on a balance of probabilities that the Disputed Domain Name is confusingly similar to the ZYBAN mark and that the Registrant has registered the Disputed Domain Name in bad faith. In addition the Complainant must adduce some evidence that the Registrant has no legitimate interest in the Disputed Domain Name.

Confusingly Similar

To deal first with the issue of Disputed Domain Name being confusingly similar to the ZYBAN mark in which the Complainant had rights prior to the date of registration of the domain name.

Prior Rights

The evidence shows that the Complainant is the owner of the ZYBAN mark, which was registered in the Canadian Intellectual Property Office December 15, 1998 and continues to have such rights in accordance with subparagraph 3.3(b) of the Policy. The Disputed Domain Name was registered December 31, 2003.

Accordingly, the ZYBAN mark registration predates the registration of the Disputed Domain Name.

Reference is made to decision of the Panel in *Government of Canada, on behalf of Her Majesty the Queen in Right of Canada v. David Bedford*, British Columbia International Commercial Arbitration Centre, Case No 00011 which held that where a Complainant relies upon a trade-mark registered prior to the domain name registration date, the Policy does not require or permit a Panel to go behind the registration to determine whether the mark is valid or invalid based upon lack of distinctiveness or non-use.

This principle was confirmed in *Viacom International Inc. v. Harvey Ross Enterprises Ltd.* BCICAC, Case No. 00015, wherein the Panel held as follows:

For the purpose of construing “confusingly similarity” between the domain name and the complainant’s mark, the Policy draws a distinction between rights in a mark registered in CIPO before the date the domain name was registered and common law rights in a mark acquired through use by the complainant. With the former, a complainant need not demonstrate distinctiveness or use to establish “rights” in a mark which is alleged to be confusingly similar to the domain name. The registration of the mark in CIPO is sufficient in and of itself to establish such “rights” within the meaning of the Policy.

The date of registration of the Disputed Domain Name is clearly subsequent to the Claimant’s rights associated with ZYBAN mark, which matured to registration on December 15, 1998.

To deal now with the issue of confusingly similar to the mark, paragraph 3.4 of the Policy provides that 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 trade-mark as to be likely to be mistaken for the mark.

In applying the confusion analysis, paragraph 1.2 of the Policy provides that a domain name is defined as follows (*Coca-Cola Ltd v. Amos B. Hennan*, British Columbia International Arbitration Centre, Case No. 00014):

For 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.

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/Société Radio-Canada v. William Quan*, British Columbia International Commercial Arbitration Centre, Case No. 00006)

In *Glaxo Group Limited v. WWW Zban c/o David Glenmore*, NAF, Case No. FA0310000203164, a case where a Registrant had registered WWWZYBAN.COM and pointed to a website selling pharmaceutical products, the Panel held that WWWZYBAN.COM was confusingly similar to the Complainant's Trade-mark ZYBAN.

In the matter at hand, the evidence shows that the mark was registered prior to the date of registration of the Disputed Domain Name, it is identical to the Mark, the Complainant has never licensed or authorized use of its mark in any manner and inasmuch as the site resolves to a website operated by Fast Easy Pharmacy, which offers pharmaceutical products for sale online including products of the Complainant and those of competitor manufacturers it would appear that the purpose for the Disputed Domain Name was to attract potential customers of the Complainant who were attempting to access websites whose name included the ZYBAN mark.

For the reasons stated above I find that the Complainant has proven on a balance of probabilities that the Disputed Domain Name is confusingly similar to the ZYBAN mark, in which the Complainant had rights prior to the date of registration of the Disputed Domain Name and continues to have such rights and that the Complainant therefore satisfies the onus placed on it by clause (a) of Paragraph 4.1 of the Policy.

Bad Faith Registration

The second onus of proof that the Complainant must address is to demonstrate that the Registrant has registered the Disputed Domain Name in bad faith. Paragraph 3.7 of the Policy enumerates three tests to determine whether or not such bad faith exists. The wording of Paragraph 3.7. is exhaustive providing "if, and only if," a Panel finds that the action of a

registrant meets any one of these tests that the registrant will be considered to have registered a domain name in bad faith.

Registration Primarily for Alienation

The first of these tests is whether a registrant registered the domain name primarily for the purpose of generating revenue from the domain name by means of selling or otherwise alienating to the complainant or a competitor of the complainant at a cost in excess of the registrant's actual costs in registering or acquiring the domain name

The evidence shows that following an understanding between the Complainant and the Registrant to assign the Disputed Domain Name to the Complainant for the Registrant's out-of-pocket expense to register the Disputed Domain Name; namely the sum of \$24.00, the Registrant unilaterally and without notice to the Complainant amended the Settlement arrangement by altering the sale price of \$24.00 originally reflected in the document to reflect a sum of \$2400.00 and presented the signed document by the Registrant to the Complainant for its signature.

In determining whether the Registrant's actions are captured by paragraph 3.7, the Registrant's purpose in registering a domain name may be determined by common sense inferences from the Registrant's conduct and other surrounding circumstances (see *Canadian Broadcasting Corporation/Soci 9t 9 Radio-Canada v. William Quan, supra*)

Evidence shows that the Registrant's use of the ZYBAN.CA domain name is a commercial endeavour. The Registrant was well aware of the Complainant's ZYBAN mark, in that the website to which the Disputed Domain Name resolves displays the ® symbol beside the ZYBAN mark. It has been held that an offer by a registrant to sell a domain name to the trade-mark owner for an amount which exceeds the Registrant's out-of-pocket expenses constitutes evidence of bad faith registration (see *Government of Canada, on behalf of Her Majesty the Queen in Right of Canada v. David Bedford, supra*). The Registrant attempted to sell the Disputed Domain Name to the Complainant in excess of its out-of-pocket expenses.

Based on the foregoing, it is reasonable to conclude that generating revenue from selling or otherwise alienating the Disputed Domain Name to the Complainant was a primary purpose in registering the Disputed Domain Name.

Registration to Prevent Registration – providing the Registrant has engaged in a pattern

The second test is whether the Registrant registered the Disputed Domain Name in order to prevent the Complainant or its licensees from registering the ZYBAN mark as a domain name. To meet this test the Complainant must show that the Registrant 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

The term “pattern” is not defined in the Policy. Cases decided under the Policy do not suggest any steadfast rule as to what constitutes a “pattern”. Rather, examination is had to the surrounding circumstances to determine if a particular domain name registration is part of a pattern of bad faith registration. (see *Canadian Broadcasting Corporation/Soci t  Radio-Canada v. William Quon, supra*), where the Panel held that as few as two (2) domain names was sufficient to establish a “pattern”. In *Great Pacific Industries Inc. v. Ghalib Dhalla, supra*, it was held that the registration of two (2) domain names containing third party marks, which included the disputed domain name, was sufficient to establish a “pattern”.

According to a CIRA record dated March 17, 2004 of dot.ca domain names owned by the Registrant, the Registrant is the owner of some 190 in total of which , in addition to the ZYBAN.CA, twelve domain names contain, or are comprised of trade-marks that are the subject of Canadian registration/Official marks owned by third parties . These include HONDAELIEMENT.CA, ALGOMASTEEL.CA, ASCOM.CA, CALGARY STAMPEDE.CA, MARCONICOMMS.CA, TINTIN.QC.CA, GROUSEINN.CA, LOCALHEROES.CA, MINGLES.CA, RBCNOW.CA, SECUTRON.CA and MEDISANA.CA.

Other domain names as identified by the CIRA search contain marks that are the subject of Canadian common law rights owned by third parties. .

Such an extensive portfolio of registrations incorporating the marks of third parties satisfies the test of a “pattern” as contemplated by the policy.

I conclude that the Registrant has registered the Disputed Domain Name to prevent the Complainant from registering its ZYBAN mark as a .ca domain name.

Registration to Disrupt Business

The third test is whether the Registrant registered the Disputed Domain Name primarily to disrupt the business of the Complainant who is a competitor of the Registrant

A narrow interpretation of this section holds that a Registrant disrupts the business of a competitor if it offers goods or services that can compete with or rival the goods or services offered by the trademark owner. A broader interpretation has also been considered; namely that a competitor is someone who acts in opposition to another, including competing for Internet users and that there is no requirement that the Registrant be a commercial business competitor or someone that sells competing products.

The phrase “disrupting the business of the Complainant” as per the Policy has been held to be satisfied where the use of the domain name creates a likelihood of confusion among end users as to affiliation or sponsorship, and includes trade-mark infringement and passing off (see *Great Pacific Foods Industries Inc v. Ghalib Dhalla, supra*);

The evidence shows that the Registrant specializes in search engine positioning services and assists parties in achieving favourable Internet standing among search results.. Its primary business of the website using the Disputed Domain Name was to attract potential customers of the Complainant to Fast Easy Pharmacy. The Registrant was well aware of the existence of the Complainant, its business and its reputation and its ZYBAN mark. The Registrant's website ZYBAN.CA offers educational and informational services in connection with the ZYBAN product, which rivals the Complainant's offering provided at the ZYBAN.COM website, sells pharmaceutical products of companies that are directly competitive with those of the Complainant, and by using a domain name which is identical to the Complainant's mark, the Registrant is likely to confuse Internet users that ZYBAN.CA would connect them to the Complainant's website, or that the Registrant's website is endorsed by, or affiliated with the Complainant..

It is clear that by carrying on this business using the Disputed Domain Name, the Registrant is competing with the Complainant and disrupting its business.

I find that the Registrant registered the Disputed Domain Name primarily for the purpose of disrupting the business of the Complainant who is a competitor of the Registrant.

Accordingly, for the reasons stated above, I find that the Complainant has satisfied the onus required of it by clause (b) of Paragraph 4.1 of the Policy that the Registrant registered the Disputed Domain Name in bad faith as described in Paragraph 3.7 of the Policy.

Legitimate Interest of the Registrant

The Complainant must provide some evidence that the registrant has no legitimate interest in the Disputed Domain Name.

In Paragraph 3.6 an exhaustive list is applied which provides that a registrant has a "legitimate interest" in a domain name "if, and only if," before a complaint is filed, the domain name in question meets the criteria of one or more of six tests.

Use of a Mark

The domain name is a Mark owned by the Complainant. The Registrant has never been licensed or authorized to use the ZYBAN mark in any manner, in Canada or otherwise, including in, or as part of, a domain name, nor has the Complainant provided its consent to the Registrant to register the ZYBAN.CA. The Registrant is not entitled to register and use the ZYBAN mark as a domain name even if it is selling the ZYBAN product. Such use goes beyond what is required to describe the goods and services it is offering and it has not been authorized to use the ZYBAN mark as a domain name.

Such use of the ZYBAN mark constitutes an infringement of the Complainant's rights and accordingly the use of ZYBAN.CA in association with the online sale of pharmaceutical products does not constitute a good faith or bona fide use.

The Registrant cannot rely on the application of 3.6 (a).

Use of Clearly Descriptive Name or Generic Name

The second and third tests set out in paragraph 3.6(b) and (3,6(c) are that the disputed domain name was used by the registrant in Canada in good faith in association with any wares, services or business and that such domain name was clearly descriptive of such wares, services or business. The Registrant has not been authorized to use the ZYBAN mark and accordingly would be excluded from the application of 3.6 (b) and 3.6 (c) as apart from not having made good faith use of the domain name, the ZYBAN mark is neither descriptive or generic, but rather a coined word which is inherently distinctive.

Use for non-commercial activity, or of a Geographical Location

The fourth and sixth tests contained in Paragraphs 3.6 (d) and 3.6(f) are that a registrant used the disputed domain name in Canada in good faith in association with a non-commercial activity of the registrant or the geographical name of the location of such non-commercial activity.

The evidence shows that the Registrant's use of the ZYBAN.CA is manifestly commercial, as it sells pharmaceutical products on the website associated with the disputed domain name and accordingly cannot rely of 3.6 (d) and (f) of the Policy.

Use of Registrant's Name

The fifth test contained in 3,6(e) is that the disputed domain name comprised the legal name of the Registrant, or was a name, surname or other reference by which the Registrant was commonly identified.

There is no evidence to that effect.

On examination of the evidence and the tests to be applied we must conclude that none have been satisfied to justify a legitimate interest of the Registrant in the use of the Disputed Domain Name.

I find that the Complainant in accordance with paragraph 4.1 (c) of the Policy has provided sufficient evidence that the Registrant has no legitimate interest in the Disputed Domain Name as described in Paragraph 3.6 of the Policy.

Balance of Probabilities

Even if a complainant has met the burden of proof contained in Paragraph 4.1, a complaint will be dismissed if the registrant is able to prove on a balance of probabilities that the registrant has a legitimate interest in the disputed domain name. Such "legitimate interest" must meet one or more of the six tests described in Paragraph 3.6 and referred to above. This balance of probabilities test deals with the situation where even though a complainant has satisfied all of the burdens of proof contained in Paragraph 4.1, a Panel believes that justice requires the registrant succeed. In finding against a registrant, the Panel is depriving that registrant with a potential property interest and accordingly should be satisfied on a balance of probabilities of a legitimate interest of the Registrant before finding against the Registrant.

In the case at hand, the Panel is satisfied that on a balance of probabilities, based on the evidence before it that the Registrant has no legitimate interest in the Disputed Domain Name.

DECISION AND ORDER

I find that the Complainant has succeeded in this proceeding initiated under the Policy.

I therefore direct that the registration of the Disputed Domain Name, namely, ZYBAN.CA be transferred to the Complainant.

Dated, this 26th of August, 2004

(sgd) Elizabeth Cuddihy

Elizabeth Cuddihy, QC
Sole Panelist