

CANADIAN INTERNET REGISTRATION AUTHORITY
DOMAIN NAME DISPUTE RESOLUTION POLICY
COMPLAINT

Dispute Number: BCICAC:DCA-818-CIRA
Domain Names: amtheatres.ca
Complainant: American Multi-Cinema, Inc.
Registrant: Dan J. Kapuscinski
Registrar: Canadian Domain Names Services, Inc.
Panelist(s): Cecil O. D.Branson, Q.C.
Service Provider: British Columbia International Commercial Arbitration Centre

Decision

The Parties

1. The Complainant is American Multi-Cinema, Inc. of Kansas City, Missouri, U.S.A.
2. The Registrant is Dan J. Kapuscinski of North Whitby, Ontario, Canada.

The Domain Name and Registrar

3. The disputed name <amtheatres.ca> is registered with Internic.ca Corp.

Procedural History

4. The British Columbia International Commercial Arbitration Centre (BCICAC) is a recognized service provider pursuant to the CIRA Domain Name Dispute Resolution Policy of the Canadian Internet Registration Authority (CIRA).
5. On November 24, 2004, the Complainant filed a Complaint pursuant to the Policy and the Rules

6. By way of letter dated December 26, 2004, the BCICAC as Service Provider confirmed compliance of the Complaint and commencement of the dispute resolution process.
7. The Respondent has not provided a Response.
8. As permitted given the absence of a Response, the Complainant elected under Rule 6.5 to convert from a panel of three to a single panellist.
9. On January 26, 2005, the BCICAC appointed Cecil O.D.Branson, Q.C. as sole panellist in the above-referenced matter.
10. The Administrative Panel has considered all of the material delivered by the Complainant and the BCICAC. An examination of the material confirms that all technical requirements for the prosecution of this proceeding were met.

Factual Background

11. The Complainant has, since February 11, 1999, been the owner of the AMC THEATRES trade-mark registration No. TMA507938, registered with the Canadian Intellectual Property Office ("CIPO"). As a result it satisfies the Complainant eligibility requirements in respect of the domain name <amctheatres.ca>, pursuant to paragraph 1.4 of the Policy and paragraph 2(q) of the CIRA Policies, Rules, and Procedures: Canadian Presence Requirements For Registrants version V1.3. It is the world's second largest movie exhibitor, operating over three thousand five hundred movie screens throughout the world, including over one hundred and fifty screens in the Montreal Toronto Ottawa markets in Canada, hosting nearly two hundred million movie goers every year. Since October 2, 1995, it has been the registrant of <amctheatres.com> and <amctheaters.com> domain names since October 9, 1996.
12. The domain name <amctheatres.ca> was registered on February 27, 2003 and updated on January 16, 2004 and is set for renewal on February 27, 2005.
13. The <amctheatres.ca> website on or shortly before the date of the Complaint in this matter, contained a heading "Ancient Middle Class Theatres" It also contained photographs of 3 former Greek theatres, a brief message describing an affection for Greek and Roman architecture and concludes "this is a non profit site which is here for the awareness of Greek and Roman hard work."
14. Prior to July 17, 2003 the Registrant's website contained only a few personal pictures and links to various business websites. It did not contain any material referring to "Ancient Middle Class Theatres." In addition, the website contained a link to Complainant AMC's website, with a suggestion that users could obtain tickets and movie information via the link.

15. On July 17, 2003, an outside law firm, acting on behalf of the Complainant sent a letter to the Registrant, identifying the trade-marks held by the Complainant advising the Registrant of its rights and use of the AMCTHEATRES mark. Also, that it had come to AMC's attention that the Registrant was the owner and operator of the <amctheatres.ca> website, which was of concern to the Complainant. It indicated that Complainant was willing, for a short time only, to resolve the matter without litigation, if possible. It demanded transfer of the domain name registration to AMC, requiring that this be done within ten business days from the date of the letter. It ended by saying "If I do not receive such written confirmation from you that you are willing to comply with AMC's demands, AMC will take immediate legal action against you to resolve the dispute and preserve AMC's valuable trade-mark rights. Govern yourself accordingly.."
16. No further communication appears to have taken place between anyone on behalf of the Complainant and the Registrant until August 10, 2004 when an e mail was sent to the Registrant by the law firm in which it is stated that "AMC is willing to **purchase** this site from you for \$1,000.(US\$). This offer is available for a short time only. I will need your response by August 13, 2004. If you are unwilling to sell the domain name AMC will seek other means to effect the transfer of the site." It should be noted that the request is for **the purchase** and not to reimburse the Registrant for his costs of registration etc. [emphasis added]
17. The registrant by letter the following day, August 11, 2004, responds saying *inter alia*, "After speaking with my attorney we feel that an offer of a minimum \$15,000 (USD) for the domain would be sufficient. The web page has accumulated interest from many people who enjoy its pictorial as well as educational reference ability. The amount that I request will allow for funding to locate and re-establish a new web page, and aid financial compensation for time lost. Furthermore, I had planned to expand on the existing site. The monetary sum will allow me to recreate the website which will hopefully make a seamless transition. Everything I have done regarding my site has been done 'in Good Faith,' where precautionary measures were taken to not have a misleading web page. At the time the page was launched and developed I included a disclaimer to all viewers. I regret any inconvenience that these negotiations may cause you or AMC. I look forward to hearing from you or another representative shortly."
18. At some time, it is not known when, after July 17, 2003, the content of the Registrant's website was altered in that the title "Ancient Middle Class Theatres" was added along with several pictures depicting ancient Greek and Roman theatres along with a disclaimer stating that the website was not affiliated with Complainant and directing those wishing to reach AMC to leave the website.
19. In support of the Complaint, a Declaration by Kara Gilmore, Vice President, Legal of Complainant American Multi-Cinema Inc. has been filed. She deposes that prior to Complainant's first communication to Registrant on July 17, 2003, the web site did not contain any material referring to, describing, or depicting "Ancient Middle Class Theatres," but contained only a few personal pictures and links to various business web sites. The pictures appeared to depict Registrant and his friends in social settings, and

links appearing to direct users to some of Registrant's favourite businesses. The pictures and links were largely different from those which currently appear on Registrant's website. Prior to July 17, 2003 the Registrant's website contained a link to Complainant's AMC's website that users could obtain tickets and movie information by clicking on the link. The current website contains numerous links to sites which appear to be associated with the Complainant. There is no evidence, nor an assertion on the part of the Complainant that the Registrant is receiving any remuneration from the website

20. The Registrant did not participate in this proceeding.

Parties' Contentions

A. Complainant

(a) Confusing Similarity

21. The Complainant relies on its almost four years of trade-mark registration prior to the Respondent's domain name registration, and its use of its mark in Canada to advertise and promote movie theatres' service. It asserts that "Unquestionably," the subject domain name is confusingly similar to Complainant's mark. The Complainant further asserts that Registrant's <amctheatres.ca> domain name is identical to, and thus, clearly confusingly similar to Complainant's AMC THEATRES word mark.

(b) Bad Faith Registration

22. The Complainant asserts that "The current Registrant clearly registered the <amctheatres.ca> primarily for the purpose of selling, renting, licensing, or otherwise transferring the registration to Complainant for valuable consideration in excess of Registrant's actual costs in registering the domain name. Registrant's exorbitant offer to sell the <amctheatres.ca> domain name and the circumstances surrounding Registrant's registration and maintenance of the <amctheatres.ca> domain name and <amctheatres.ca> website lead to the inevitable conclusion that Registrant sought to profit from its registration of the domain name." No other basis is pleaded
23. Bad faith is said to be shown by the Registrant's offer to sell the <amctheatres.ca> domain name to the Complainant for a minimum of \$15,000(USD). The Complainant relies upon the Registrant's seeking a minimum of \$15,000 (USD) for giving up its entitlement to the domain name in question, this being an amount in excess of Registrant's actual costs in registering the domain name. In doing so the Complainant relies on *Glaxo Group Ltd v. Defining Presence Marketing Group Inc.*, Dispute No. 00020, BCICAC File No. DCA-780-CIRA and *Government of Canada, on behalf of Her Majesty the Queen, in right of Canada v. David Bedford*, Dispute No. 00011, BCICAC. Further, the Complainant argues that the alteration of the website to which the domain name in question resolves was done by the Registrant after receiving the first written communication to cease and desist.

(c) No Legitimate Interest in the Domain Name

24. The Complainant says that the only provisions of paragraph 3.6 of the Policy that could conceivably apply in the current case are provisions (d) and (f), addressing non commercial activity. It cites two UDRP cases, *Chase Manhattan Corp et al. v. John Whiteley*, WIPO Case No. D2000-0346 and *AutoNation, Inc. v. Sucky Web Inc. f/k a e-Possibility.com, Inc. and successor by Merger of the Perfect Web Corp.* WIPO Case No. D2001-0442. These decisions are based on the principle that the infringing use of a Complainant's trade mark cannot give rise to a legitimate right or interest on the part of the domain name registrant, regardless of the latter's use of the domain name.

B. Registrant

25. The Registrant did not reply to the Complainant's contentions

Discussion and Findings

Confusing Similarity

26. The Administrative Panel is satisfied that the Complainant has met the first requirement for the reasons asserted in paragraph 22 above.

Registered and Used in Bad Faith

27. When dealing with the element of whether the Registrant had a legitimate interest in the domain name, the Complainant asserts that "the only provisions of paragraph 3.6 that could conceivably apply in the current case are provision (d) and (f), addressing non commercial activity. Provision (f) does not apply as <amctheatres.ca> does not describe the Registrant's geographic location. Provision (d) does not apply either, as Registrant has not used the <amctheatres.ca> domain name in good faith." The Panel does not agree with the Complainant's assertion re 3.6(d).
28. Paragraph 3.7 requires that the villainous motive existing at the time of registration of the domain name be the *primary purpose* of doing so. In other words, that it must be proved to be first above all others.

29. The Complainant cites two previous CIRA decisions. *Glaxo Group Ltd v. Defining Presence Marketing Group Inc.*, Dispute No. 00020, BCICAC File No. DCA-780-CIRA and *Government of Canada, on behalf of Her Majesty the Queen, in right of Canada v. David Bedford*, Dispute No. 00011, BCICAC. The Panel has viewed these decisions and, while they stand for the general position stated, their circumstances are markedly different. In the first case, the Registrant admitted the motivation in its Response, while in the latter case there was palpable bad faith on the part of the Registrant as it unilaterally and without notice to the Complainant amended a Settlement arrangement, altering the sale price to one which was one hundred times greater than agreed.
30. The Uniform Dispute Resolution Policy (“UDRP”) also contains a requirement of proof that the domain name has been registered in bad faith. It has been held by a Panel that it cannot properly infer bad faith at the time of registering domain names which occurred well after the original registration (*Alomo s.r.l. v. Andreoni Inc.*, WIPO Case No. D2001-0961). Further, panels have held that offers by a Respondent to sell the domain name to the Complainant for a sum in excess of the Respondent’s out-of-pocket expenses in registering the domain name are not, of themselves, evidence of bad faith registration and that for circumstances to constitute evidence of bad faith registration those circumstances must be such as to indicate that selling the domain name to the Complainant for an excessive sum was the Respondent’s *primary purpose* in registering the domain name. (*Creo Products Inc v. Website In Development*, WIPO Case No. D2000-1490; *Vertical Computer Systems Inc. v. Registrant of “Poinmail,”* WIPO Case No. D2001-0006; *Keske Oyj (K-Market.net) v. Minna Heikkinen*, WIPO Case No. D2001-1170).
31. In the case before this panel the facts concerning the motivation of the Registrant in registering the domain name in question are equivocal at best. Since its registration on February 17, 2003, until at least the filing of the Complaint in this matter he ran an active website, non commercial in nature, which provided a gratuitous link to the Complainant’s website.
32. The first letter on behalf of the Complainant urges the Registrant that immediate legal action will be taken against him unless he agrees to transfer the domain name registration. The Registrant did not respond although he alters the content of the site by the addition of a title “Ancient Middle Class Theatres” and added some pictures of some Greek and Roman theatres, along with a disclaimer regarding any affiliation with the Complainant. Neither the Complainant nor the Registrant follow up on this letter. A reasonable explanation could be that the Registrant thought these cosmetic changes would satisfy the Complainant and, if not, that the Complainant would so indicate. Both Parties failed to provide an explanation for their inaction. Nothing happens. Over a year later, on September 24, 2004, the Complainant sends an e mail to the Registrant, which is quite conciliatory in its nature. No reason is given for the absence of

threatened litigation nor is the threat renewed. Indeed, an offer is made to purchase the site from the Registrant. The amount offered is not related in any way to reimbursement of the Registrant's costs of registration, etc. The response from the Registrant the next day includes the following: "Everything I have done regarding my site has been done in "Good Faith," where precautionary measures were taken to not have a misleading web page. At the time the page was launched and developed I included a disclaimer to all viewers. I regret any inconvenience that these negotiations may cause you or AMC. I look forward to hearing from you or another representative shortly."

33. While this Panel accepts that the suggestion made on the part of the Complainant concerning the motivation of the Registrant is a possible one, it cannot given all the circumstances find this to have been proved on a balance of probabilities. In doing so, this Panel follows the view of the Federal Court of Appeal when dealing with the application of this evidentiary standard of proof which was that, where the probabilities are equal a form of doubt may arise which should be resolved in favour of the party which does not carry the burden of proof. *Christian Dior, S.A. v. Dion Neckwear Ltd.* Case A-258-00, 2002 FCA 29.

Other Requirements of the Policy

34. In light of the Panel's conclusion regarding the bad faith element of the Policy, it is neither necessary nor appropriate for the Panel to consider the remaining requirement, whether Respondent had any legitimate interest in the subject domain name.

Conclusion and Decision

35. The Complainant has failed to prove, on a balance of probabilities, that the Registrant registered the domain name <amctheatres.ca> in bad faith, accordingly the Complainant did not establish one of the required elements set forth in Policy, paragraph 4.1. For that reason this Panel dismisses the Complaint.



Cecil O.D. Branson, Q.C.

Date: February 8, 2005