

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

Domain Name: SUNBRELLA.CA
Complainant: Glen Raven Inc.
Registrant: Tomislav Kotarac
Registrar: Domain Robot Enterprises Inc.
Panelists: Tim Bourne, Denis N. Magnusson (Chair), Hugues Richard
Service Provider: Resolution Canada, Inc.

DECISION

A. The Parties

The Complainant is Glen Raven Inc., a U.S. corporation headquartered in Glen Raven, North Carolina.

The Registrant is Tomislav Kotarac of Mississauga Ontario.

B. The Domain Name and Registrar

The disputed domain name is SUNBRELLA.CA. The Registrant is Domain Robot Enterprises Inc. The disputed domain name was registered on June 6, 2011.

C. Procedural History

This is a proceeding under the Canadian Internet Registration Authority ("CIRA") *Domain Name Dispute Resolution Policy* (Version 1.3) (the "Policy") and the CIRA *Domain Name Dispute Resolution Rules* (Version 1.4) (the "Rules"). Registrants of dot-ca domain names agree as a condition of their registrations that they will be subject to the Policy and Rules including any changes in the Policy and Rules which CIRA may implement from time-to-time¹. CIRA has posted notice of the effective date of the amended Policy (as version 1.3) and the amended Rules (as version 1.4) as August 22, 2011. Policy 1.8 provides that "[t]he version of the Policy in effect at the time a Proceeding is initiated will apply to the Proceeding". Rules 3.1 provides that "[a] Complainant shall initiate a Proceeding by submitting a Complaint to a Provider . . .". The Complainant initiated this Complaint with the Provider on September 26, 2011, after the effective date for the amended Policy and Rules.

The Complainant submitted this Complaint to the Provider, Resolution Canada, which Complaint the Provider found in compliance with the Policy and the Rules. The Provider forwarded the Complaint to the Registrant. The Registrant filed a Response. The Provider notified the Registrant that the initial form of the Response was deficient under the requirements of the Rules. The Registrant filed an addendum to the Response to correct these deficiencies. The Complainant filed a further submission on the Registrant's lack of a Legitimate Interest in the domain name as permitted by Rules 11.1.²

¹ Registrant Agreement Version 2.0, 2.1

² Rules, 11.1 ". . . where the Registrant's identity is not published in the public WHOIS database, the Complainant shall have a right to make a further submission to the Panel, including adducing further evidence, with respect only to the issue of the Registrant's legitimate interest (or lack thereof) in a domain name".

The Provider served notice of the selection of the undersigned Messrs Bourne, Magnusson and Richard as the Panel to decide this dispute.

D. Panelists' Impartiality and Independence

As panelists we have given Resolution Canada, Inc. declarations of impartiality and independence as required by Rules, 7.2.

E. Canadian Presence Requirements

The Complainant satisfies the Canadian Presence Requirements in respect of the disputed domain name as it is the owner of Canadian trade mark registrations including:

SUNBRELLA, Registration No. TMA184106 (registered June 30, 1972)

F. Relief Requested

The Complainant requested that the Panel order, as permitted under the Policy, that ownership of the domain name registration be transferred from the Registrant to the Complainant.

G. Factual Background

The Complainant, Glen Raven Inc. of North Carolina, USA, began to use its Sunbrella trademark in the United States in 1959 in association with awning and marine fabrics. The Complainant soon extended the use of the trademark to use in association with fabric umbrellas and garden furniture. The Complainant's current use of the Sunbrella trademark extends to use with "draperies, pillows, rugs and throws, bedding products and clothing and bags, including travel bags, duffel bags and handbags".

The Complainant first applied to register Sunbrella as a trademark in Canada in 1971. In doing so it stated that the trademark had been made known in Canada at least since 1961 and used in Canada at least since 1962 and had been earlier used in the United States and been registered as a trademark in the United States in 1960. This Canadian application matured into registration in 1972.

The Complainant states that it spends more than \$5 million annually in marketing expenditures associated with the Sunbrella trademark, chiefly in magazine, TV and point-of-sale advertising, much of which is accessible in Canada. The Complainant also notes that numbers of its customers who incorporate its Sunbrella fabric in their products advertise that they have included genuine Sunbrella™ fabric in their products, further extending the reputation of the Sunbrella brand.

The Complainant stated that it has a material Internet presence referencing the Sunbrella trademark. Its principal website is sunbrella.com, focused on its Sunbrella brand fabrics and products incorporating Sunbrella fabrics. The Complainant notes that it also owns the domain names sunbrella.net, sunbrella.org and sunbrella.info which redirect users to the sunbrella.com website. This website is readily accessible by Canadian residents.

The Registrant, Tomislav Kotarac, a real estate agent employed with **Sutton Group Signature Realty Inc., of Mississauga Ontario**³, registered the disputed domain name on June 6, 2011. In his Response the Registrant states that he “registered [the disputed domain name sunbrella.ca] upon conceiving an idea as a brand name for a new consumer product”. The Response further states that “the Registrant is an entrepreneur with significant experience in the consumer package goods industry.” The Response and its Addendum give no further information as to what the new consumer product might be or its stage of development and the Response and its Addendum give no further information of what “significant experience in the consumer package goods industry” the Registrant might have and how that might relate to his choice of domain name.

H. Onus on Complainant

Policy, 4.1 requires that:

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.

[emphases added]

(a) Confusingly Similar Mark in which Complainant Has Rights

(i) Mark

Policy, 3.2(c) defines “Mark” as including a trademark registered in the Canadian Intellectual Property Office (“CIPO”). The Complainant is the owner of the CIPO registration for the trademark SUNBRELLA⁴.

(ii) Mark in Which Complainant Had and Has Rights

The Registrant first registered the domain name in dispute on June 6, 2011. The Complainant must show that it acquired Rights in a relevant Mark prior to that date and that it continues to have such Rights. The Complainant first registered the trademark SUNBRELLA on June 30, 1972, long before the Registrant’s registration of the disputed domain name. The Complainant continues to own this CIPO trademark registration.

(iii) Confusingly Similar Mark

The Policy, 3.2 (version 1.3) provides:

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 be likely to be mistaken for the Mark.

³ This employment / entrepreneurial identification of the Registrant comes from the conclusions derived by the Complainant from the limited disclosures of the Registrant. The Panel is persuaded that the Complainant’s derived identification of the Complainant is accurate.

⁴ Registration No. TMA184106.

The disputed domain name is SUNBRELLA.CA. In assessing confusing similarity the dot-ca suffix is ignored, Policy 1.2. The Mark relied on by the Complainant is its registered trademark SUNBRELLA. The domain name and the Mark are identical. Thus, the domain name so nearly resembles the Mark as to be likely to be mistaken for the Mark.

(b) Legitimate Interest

The Response describes “[t]he Registrant [as] an entrepreneur with significant experience in the consumer package goods industry [who] registered sunbrella.ca upon conceiving an idea as a brand name for a new consumer product, hereinafter, (“Consumer Product”)” The Response further states that “The Registrant registered the domain name as a prelude to filing for registration of a proposed mark in Canada, namely SUNBRELLA.” The Response does not indicate that any such application has yet been filed. Nevertheless the Response also states: “The Registrant is satisfied that he is entitled to use the trade-mark in Canada in association with the wares and services contemplated for the Consumer Product(s) and will file trade-mark.” Neither the Response nor the addendum to the Response indicate what those “wares and services” or “Consumer Product(s)” might be.

The Registrant is Tomislav Kotarac of Mississauga Ontario whose email address was identified in the addendum to the Response as tkotarac@sutton.com and whose mailing address was listed as 33 Pearl St. The Complainant’s further submission identified the Registrant as a real estate agent with Sutton Group Signature Realty Inc., located at 33 Pearl Street, with an employed agent identified on that company’s website as Tom Kotarac with the email address tkotarac@sutton.com.

Policy, 4.1(c) requires the Complainant to submit some evidence that the Registrant has no Legitimate Interest, as defined in Policy, 3.4, in the domain name. Policy 3.4 lists six circumstances in which, if proved, demonstrate that the Registrant has a Legitimate Interest in the domain name.

Policy 3.4(a): ‘the domain name was a Mark, the Registrant used the Mark in good faith and the Registrant had Rights in the Mark’:

Policy 3.2 defines “Mark” as a trademark actually used in association with goods or services offered for sale in Canada, as a “certification mark” actually used in association with goods and services offered for sale in Canada, as a trademark registered in the CIPO or as a “prohibited mark” recognized under s. 9 of the Trade-marks Act. Considering all of the evidence submitted by Complainant and Registrant, the domain name was not a Mark of the Registrant and the Registrant has not used any such Mark and the Registrant had no Rights in any such Mark.

Policy, 3.4(b): ‘the Registrant registered 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’:

Considering all of the evidence submitted by Complainant and Registrant there is no indication of any wares, services or business of which the domain name was clearly descriptive.

Policy, 3.4(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’

Considering all of the evidence submitted by the Complainant and Registrant there is no indication of any wares, services or business for which the domain name could be understood to be the generic name.

Policy, 3.4(d): ‘the Registrant used (includes, but is not limited to, use to identify a web site) the domain name in Canada in good faith in association with a non-commercial activity including, without limitation, criticism, review or news reporting’

There is no evidence that the Registrant used the domain name in association with any non-commercial activity.

Policy, 3.4(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’

There is no evidence that the domain name is the legal name of the Registrant or is any kind of reference by which the Registrant was commonly identified.

Policy, 3.4(f): ‘the domain name was the geographical name of the location of the Registrant’s non-commercial activity or place of business’:

The domain name is not the geographical name of the location of any non-commercial activity or business of the Registrant.

The prior version of the Policy (version 1.2) limited a Panel’s scope for finding that the Registrant had a Legitimate Interest to finding such interest “if and only if” one of the six specific interests listed above could be found. The amended Policy (version 1.3), which governs this proceeding, expands the power of Panels to find a Registrant’s Legitimate Interest that does not fall strictly within the language of the six specifically listed circumstances⁵. Considering all of the evidence, the Panel finds that the Registrant has not proved that it has any such Legitimate Interest in the domain name.

(c) Bad Faith

Identification of Registrant Domain Name Owner

Because the Complainant could not readily identify the Registrant of the domain name in a Whois search, the Complainant appears to have been especially alerted to possible bad faith on the part of the Registrant. The Complainant did not learn of the identity of the Registrant until the addendum to the Response was filed to cure the deficiencies in the original Response⁶.

⁵ Policy (version 1.3) “**3.4 Legitimate Interests.** For the purposes of paragraphs 3.1(b) and 4.1(c), any of the following [six] 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 a domain name: . . .”Emphasis added.

⁶ Under Rules Paragraph 3.2(a) the Response must provide the name, postal and e-mail addresses, and the telephone and facsimile numbers of the Registrant. The Complainant could have secured information identifying the

The Registrant in his Response argues that “CIRA rules require that the personal information, including identity, of all individual registrants be private, . . . and no adverse inference should be drawn . . . on the basis that the identity of the Registrant is privacy protected.”

The Panel agrees with the Registrant that no inference adverse to the Registrant should be drawn merely from the fact that his identity is not discoverable in a Whois search. Under CIRA policies, when the Registrant is an individual and not an organization (such as a corporation), the automatic default position is that the identity of the Registrant is privacy protected and not discoverable on a Whois search. The statement of the Registrant that CIRA “requires” such non-disclosure is not strictly accurate as the Registrant has the option of disclosing such personal information for its domain name registration.⁷

Allegation of Bad Faith Under Policy 3.5(c)

When the Complainant submitted its original Complaint, it did not know the identity of the Registrant. In that Complaint the Complainant drew inferences from what it did know – that the confusingly similar domain name had been recently registered by some person other than it and that domain name linked to a web page “. . . which featured links to establishments selling not only Complainant's SUNBRELLA brand fabrics but also competing fabrics and competing finished products”. The Complainant submitted that the Registrant had registered the domain name in Bad Faith under Policy 3.5(c):

(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;

In doing so the Complaint cited prior decisions under the Policy which have ruled that the Registrant using a confusingly similar domain name to resolve to a webpage with links to competitors of the Complainant disrupts the business of the Complainant and constitutes the Registrant acting as a competitor of the Registrant for the purposes of Policy 3(c).⁸

However, in his Response the Registrant stated that he was not responsible for the webpage to which the recently registered domain name resolved or for any of its content and that he derived no financial benefit the appearance of such webpage or links. The Registrant explained the webpage to which his newly registered domain name resolved and the links thereon as follows:

Registrant and identifying any other dot-ca domain name registrations owned by that same registrant prior to filing the Complaint. Apparently, the Complainant did not avail itself of CIRA’s *Request for Disclosure of Registrant Information – Rules and Procedures*, <http://www.cira.ca/assets/Documents/Legal/Dispute/disclosureregistrant.pdf>, under which CIRA may provide a person who has a current good faith dispute with a Registrant with Registrant information not publicly available through CIRA’s WHOIS. Apparently, the Complainant also did not avail itself of CIRA *Registration Information Access Rules and Procedures* policy, <http://www.cira.ca/assets/Documents/Legal/Dispute/RIARP.pdf>, under which CIRA will provide a person who wishes to initiate a Proceeding against a Registrant in respect of a domain name a list of the dot-ca Domain Names registered in the name of a Registrant or registered in the name of the same Registrant as a Domain Name identified by the requester.

⁷ See CIRA Privacy Policy (version 1.9) <http://www.cira.ca/privacy/policy.html>

⁸ *Jan-Pro Canada Inc. v. Computerfest, c/o George Bachir*, CIRA Decision 162 at 6-7 (2011), citing *LEGO Juris A/S v. James Carswell*, CIRA Decision 150 at ¶ 26 (2010) and *JTH Tax, Inc. v. Prem Lata Dhir* CIRA Decision 125 ¶ 67 (2009))

The Registrant registered sunbrella.ca . . . through 1&1 Internet, Inc., [1 and 1.com], which uses an agent named Domain Robot Enterprises Inc. to register dot-ca domain names in Canada. . . . 1&1 Internet, Inc., the Registrar's Principle, places ads on all of their customer's newly registered domains, using some unknown script. 1 and 1.com generated ads remain shown on a newly registered domain name until the Registrant discovers the ads and takes steps to configure and host a website on the domain with 1 and 1.com or forwards the domain name to some other active domain name.

Presumably, the Registrant has introduced this evidence to show that the Registrant had not registered the domain name "primarily for the purpose" of disrupting the business of the Complainant, as required under Policy 3.5(c) to find Bad Faith. The Panel has found the issue of Bad Faith, on the facts of this case, is better addressed under other provisions of the Policy making it unnecessary to rely on Policy 3.5(c).

Considering Policy 3.5(a)

A finding of Bad Faith under Policy 3.5(a) requires showing that the Registrant registered the domain name primarily for the purpose of selling the domain name to the Complainant or a competitor at a profit. There is no direct evidence, such as from negotiations between the Registrant and the Complainant from which we can infer that the Registrant had such a purpose.

Considering Policy 3.5(b)

A finding of Bad Faith under Policy 3.5(b) requires showing that the Registrant registered the domain name primarily for the purpose of blocking the Complainant from registering as part of a pattern of registering domain names to block others with Rights in Marks from registering them as domain names. We have no direct evidence of such a pattern of behaviour on the part of the Registrant.

Bad Faith Under Policy 3.5(d)

The amendments to the Policy (as version 1.4) which became effective August 22, 2011, and which apply to this dispute made two significant changes to the Policy definition of Bad Faith.

First, the amendments added a further, fourth specific circumstance of Bad Faith, as Policy 3.5(d):

(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.

Second, the amendments generally broadened the scope of circumstances and factors Panels may consider in concluding that there was Bad Faith. The introductory paragraph to Policy 3.5 was amended to change the former direction to find that there was Bad Faith "if and only if" one of the then three specifically stipulated circumstances of Bad Faith could be found. The amendment directs the Panel to consider the now four specifically stipulated circumstances of Bad Faith, but now also expressly directs that in relation to all considerations of Bad Faith a Panel is to consider "any of the following [four specific] circumstances, in particular *but without limitation*" [emphasis added]. The effect of the amendments in the view of this Panel is that this introductory language means that the four expressly specified circumstances of Bad Faith inform a Panel not only of these specific instances, but also by inference of the general nature of the Bad Faith impugned by the Policy. A Panel has an the obligation to consider whether there is Bad

Faith of this general nature though the facts may not fall strictly within the language of the four expressly specified circumstances.

In assessing whether the Registrant registered the domain name in Bad Faith, we must ask why the Registrant chose Sunbrella as its domain name in the face of the Complainant's acknowledged trademark rights and reputation when many other choices would be available. The Response gives no reasons for the choice. The Response merely states that the Registrant registered the domain name "upon conceiving an idea as a brand name for a new consumer product". The Response gives no information about that idea or product to explain the choice of sunbrella.ca as the domain name. The Response asserts that the Registrant's consumer product idea should be seen in the context of the Registrant being "an entrepreneur with significant experience in the consumer package goods industry". However, the Response merely asserts this as a fact and offers no evidence or explanation as to what that experience is and how it relates to the Registrant's choice of Sunbrella as a domain name.

As further explanation of his choice of domain name the Registrant states that "[t]he Registrant registered the domain name as a prelude to filing for registration of a proposed mark in Canada, namely SUNBRELLA". The Response did not indicate that any trademark registration application had yet been filed. The Response further states that the Registrant "will use the Mark [presumably the anticipated trademark Sunbrella] once a website is built for the newly registered domain name and manufacturers and distribution partners are sourced for the contemplated for the Consumer Product(s)".

In attempting to justify his choice of Sunbrella as a domain name in the face of the Complainant's acknowledged Rights in its Mark, the Registrant states in his Response that "[t]he Complainant is not the sole owner of trademarks for the word SUNBRELLA in Canada". The Response refers to data apparently collected from the CIPO online Trade-marks Database in support of this statement. The data from the CIPO database proves much less than the Registrant appears to think.

A search of the CIPO database for the trademark Sunbrella yields only ten entries. Four of those entries are currently registered and active trademark registrations belonging to the Complainant.

The Response refers to the remaining six entries. Five of those six entries do not represent current trademark rights and have not represented such rights in Canada for at least a decade, if ever. Only one other entry represents a current trademark registration.

Perhaps the strangest statement in Response claims about the scope for others than the Complainant to use the mark Sunbrella is:

"SUNBRELLA is best known in Canada as a brand of sunscreen or sun tan lotion; see UCA23178 inactive registration by Colgate-Palmolive-Peet Co Ltd."

This registration was expunged in 1981 because the trademark was no longer in use in Canada. No evidence is offered in the Response to substantiate the bare claim that Sunbrella is

most identified in Canada with a suntan lotion sold by Colgate-Palmolive, despite the latter's abandonment of the trademark in Canada three decades ago.

The deficiencies in the Registrant's exposition of the current trademark status in Canada cast doubt on his statement that he "is satisfied that he is entitled to use the trade-mark in Canada in association with the wares and services contemplated for the Consumer Product(s)". The Response fails to acknowledge that the five CIPO database entries listed as inactive represent no subsisting trademark rights at all in Canada. The Response also fails to acknowledge that while these potentially competing uses of the trademark had disappeared ten and more years ago, the Complainant's use of the trademark represented by its active 1972 registration was expanding as indicated by it securing additional trademark registrations incorporating Sunbrella in 1990, 1995 and 2010.

The failure to acknowledge accurately the current trademark status of the Sunbrella mark in Canada casts doubt on the Registrant's claim that its registration of the domain name was simply the first step in developing a consumer product brand that would soon involve the securing of a CIPO trademark registration. Any application to secure such a trademark registration could have encountered opposition from the Complainant in this dispute based on a likelihood of confusion with one or more of its four prior registered trademarks and with its prior common law trademark. In theory such application might nevertheless overcome the opposition and succeed. However, on the facts set out in the Complaint and Response there is much doubt of this and to be believable the Registrant had to set out more. In such application much could turn factors such as in what product field the trademark was to be used. The Response gives no such information nor any explanation of why such information is not forthcoming.

On these findings is there a showing of the Registrant's Bad Faith under Policy 3.5 in registering the domain name?

For convenience we reproduce Policy 3.5(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.

The Registrant has stated that he registered the domain name in anticipation of establishing a website. The Registrant has stated that the adoption of the domain name was part of a consumer product project which we infer was for commercial gain. On the facts we have the use of the domain name for a website raises the likelihood of confusion with the Complainant as to affiliation, sponsorship or endorsement of such website. The Registrant must be taken to have intended the expected consequences of his actions unless the Registrant offers evidence and persuasive reasoning why such an inference should not be made. We find no such evidence or reasoning in the Response.

Policy 3.5(d) may refer to a Registrant having actually established a website⁹ or other online location, which the Registrant has stated he has not done. However, the introductory paragraph to Policy 3.5 states that Bad Faith is to be found in “any of the following circumstances, in particular *but without limitation*”. The Registrant’s registering the domain name with the admitted intention of establishing a website for the domain name brings the Registrant’s action within the Policy definition of Bad Faith.


DECISION AND ORDER

The Panel finds that the Complainant succeeds in this Complaint. The Panel orders that the disputed domain name registration for sunbrella.ca be transferred from the Registrant to the Complainant.


Alleged Bad Faith of Complainant

In the Response the Registrant submits that the Complainant was “trying the hi-jack the domain” which the Panel interprets as a claim under Policy 4.6 for compensation for the costs of replying to a Bad Faith Complaint. As such a claim can be considered under Policy 4.6 only if the Registrant is successful in the main Complaint, which the Registrant is not, a claim under Policy 4.6 is cannot succeed in this case.


November 15, 2011



Tim Bourne (panelist)



Denis N. Magnusson (Chair of Panel)



Hugues Richard (Panelist)

⁹ Whether a website would actually to be established on the strictly interpreted language of Policy 3.5(d) alone would depend on how broadly the word “attempted” is read in Policy 3.5(d). The release from the strict language in the opening paragraph of 3.5, “without limitation”, means we do not need to see the Registrant’s actions as being within a strict interpretation of Policy 3.5(d) language.