

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

Complainant: Microsoft Corporation
Redmond WA

Complainant Counsel: Martin B. Schwimmer Esq.

Registrant: Microscience Corporation (P.E.I.)

Disputed Domain Name: msnsearch.ca

Registrar: BareMetal.Com, Inc.

Panel: Paul W.Donovan, Denis N. Magnusson (Chair), Daria Strachan

Service Provider: Resolution Canada

The Parties

The Complainant is Microsoft Corporation of Redmond Washington, U.S.A. The Registrant is Microscience Corporation (P.E.I.), for which the Administrative and Technical contacts are both listed as Daniel Mullen.

The Domain Name and Registrar

The disputed domain name is “**msnsearch.ca**”. The Registrar is BareMetal.Com, Inc.

Procedural History

The Complaint was filed with the Provider (Resolution Canada), which found the Complaint in Compliance with the CIRA *Domain Name Dispute Resolution Rules* (“*Rules*”), and forwarded the Complaint to the Registrar. The Registrant filed a Response. The Provider appointed the undersigned as the Panel to decide the matter.

Eligible Complainant

The Complaint establishes that Microsoft Corporation is an eligible Complainant, at the time of filing the Complaint, under the *Policy*, para. 1.4, as the complaint relates to trademarks registered in the Canadian Intellectual Property Office (“CIPO”) of which the Complainant, Microsoft, was and is the registered owner.

Relief Requested

The Complainant submitted that the domain name registered was Confusingly Similar with one or more of the Complainant’s Marks, that the Registrant had registered the domain name in Bad Faith, and that the Registrant had no Legitimate Interest in the registered domain name, and therefore the Complainant requested that the Panel order that the domain name registration be transferred from the present Registrant to the Complainant.

Background Facts

The Complaint listed the following registered trademarks of the Complainant, Microsoft, as related to the Complaint:

<u>Mark</u>	<u>CIPO Reg. No.</u>	<u>Date of Use in Canada</u>	<u>Date Reg.</u>
MSN the Microsoft Network	463,808	July 11, 1996	Sep. 27, 1996
MSN(with design)	471,196	May 24, 1995	Feb. 18, 1997
MSN(with design)	475,091	July 11, 1995	Apr. 23, 1997
MSN	559,054	Mar. 07, 1995	Sep. 27, 1996
MSN.CA	608,654	Feb. 01, 1999	Apr. 27, 2005
MSN	627,227	Mar , 1995	Apr, 27, 2005

The domain name in dispute, “msnsearch.ca” was registered by the Registrant on August 26, 2002.

Onus on Complainant

Policy para. 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 3.7;

and the Complainant must provide some evidence that:

- (c) the Registrant has no legitimate interest in the domain name as described in paragraph 3.6.

[emphasis added]

(a) Confusingly Similar

Marks in Which Complainant Had and Has Rights

The Complainant must show it had Rights in the Marks prior to the date of the registration of the disputed domain name, August 26, 2002.

Policy, para. 3.2 indicates that for the purposes of a Complaint a “Mark” includes a trademark. *Policy*, paras., 3.3(a) and 3.3(b) state that Complainant has “Rights” in such a Mark for the purposes of the *Policy* as of the date of the use of such trademark in Canada and/or as of the date of the registration of the trademark in the CIPO.

All six of the trademarks cited by the Complainant as listed above were in use in Canada prior to the date of registration of the domain name. Thus, the Complainant had Rights in such Marks prior to the date of the registration of the disputed domain name.¹

The Complainant also submitted argument and evidence with respect to the Complainant’s Rights in the Mark, “MSNSEARCH”, as an unregistered common law trademark -- the Complainant had no such trademark registered in the CIPO. Relevant Rights in such a Mark could be obtained only through use of that mark as a trademark in Canada prior to the date of the registration of the disputed domain name. If the evidence

¹ Further, four of the six trademarks were registered in the CIPO prior to the date of registration of the domain name, providing another basis for showing that the Complainant had Rights in those four Marks prior to the date of the registration of the disputed domain name.

submitted in the Complaint does establish that the Complainant has used MSNSEARCH as a trademark, it does not establish that such use commenced in Canada prior to the date of the registration of the disputed domain name. Thus, the Complainant has not established that it has Rights in the Mark MSNSEARCH, for the purposes of this dispute.

Confusingly Similar

Policy, para. 3.4 defines “Confusingly Similar”:

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 to be mistaken for the Mark.

The test of "so nearly resembles the Mark...as to be likely mistaken for the Mark" implies a likely mistake by a person who is aware of the Mark, here “MSN”, prior to looking at the disputed domain name, here “msnsearch.ca”. Commentary on this test has suggested a test of a person with an “imperfect recollection” of the Mark, but the wording clearly contemplates some prior awareness of the Mark.

The Policy directs the Panel to consider the near resemblance of the domain name to the Mark in appearance and sound. The first three letters of the domain name are identical in appearance and sound to the entirety of the word portion of four of the six Marks and to the first word portion of the remaining two Marks. The Policy also directs the Panel to consider the impact of "the ideas suggested by the Mark" on a person with a recollection of the Mark, when that person is looks at the domain name. In considering "the ideas suggested", the Panel concludes that the average person does not find “ideas” only in letters in Marks which form actual words, while dismissing as meaningless letters which form no actual words. The Panel finds that a person would recognize the “MSN” portion of the domain name as a coined “word” and see the “search” portion as a descriptive element *modifying* the coined word. Further, “msn” is at the beginning of the domain name, which tends to have greater significance than the remainder of the domain name as persons encounter the domain name. The domain name “msnsearch” would suggest to such a person something identified by “msn” that had some connection to searching, and that person would infer primary significance to the “msn” portion, most likely as a trademark or trade name. Thus, for persons familiar with the Mark, “MSN”, the domain name “msnsearch” would suggest to them "that Mark plus a descriptive word".

The Panel finds that the domain name, “msnsearch” is Confusingly Similar with each of the four Marks, which contains MSN alone as its word portion. Further, the Panel finds that the domain name is Confusingly Similar to the Mark “MSN.CA”. However, when the entirety of the Mark “MSN the Microsoft Network” is considered in comparison with the registered domain name “msnsearch”, we cannot find the domain name Confusingly Similar to this Mark.

In reaching its conclusions on Confusingly Similar the Panel is not considering the *extent* of the trademark or trade name reputation attaching to the cited trademarks incorporating “MSN” in Canada, which extent of reputation is not a part of the test under para. 3.4. However, the test does permit consideration of the likelihood that a person viewing a

domain name may infer that it consists, wholly or in part, of what that person recognizes or infers is a trademark.

b) Bad Faith

Introduction

The Complainant submitted evidence that the MSN trademark was well-known. The Complainant further submitted that given the Registrant's inferred knowledge of the well-known MSN trademark at the time of the Registrant's registration of the "msnsearch.ca" domain name, the Registrant should be inferred to know that its use of the msnsearch.ca domain would "inevitably lead to confusion of some kind". The Complainant submitted that this inference would establish bad faith on the part of the Registrant at the time of its registering the domain name in dispute.

The Complainant may have been led to make this submission in the light of its experience in prior domain name disputes brought under the UDRP². Under the UDRP, such inferences could establish bad faith as, unlike the CIRA Policy, the UDRP defines "bad faith" as including a general, ordinary language meaning of bad faith, and even more importantly for a dispute like this, specifically includes the Registrant's knowing creation of likely trademark or trade name *confusion* with the registered domain name as an instance of bad faith under the UDRP. Thus, while potentially very relevant to a case under the UDRP, these submissions are much less relevant to finding Bad Faith under the CIRA Policy.

The CIRA Policy, para. 3.7 has a very restrictive definition of what can constitute the Registrant's necessary Bad Faith in registering the domain name. That definition states that there will be Bad Faith, "*if, and only if*" one or more of three specific circumstances obtain.

3.7(a) – Registrant's purpose to sell domain name to Complainant or competitor

Policy para 3.7(a) sets out this circumstance of bad faith:

(a) the Registrant registered the domain name . . . primarily for the purpose of selling . . . or otherwise transferring the Registration to the Complainant . . . or to a competitor of the Complainant . . . for valuable consideration in excess of the Registrant's actual costs . . .

The Complainant doesn't allege, and we have no evidence that the Registrant offered to sell the registration to anyone, let alone to the Complainant or a competitor. The Policy language, "*primarily* for the purpose . . ." [emphasis added] suggests a strict interpretation and application of the requirement.

Thus, the Panel cannot find Bad Faith under this heading.

3.7(b) – Registered to prevent Complainant from registering Mark as domain name, if a pattern of this behaviour

Policy para 3.7(b) sets out this circumstance of bad faith:

² ICANN, *Uniform Domain Name Dispute Resolution Policy*.

(b) the Registrant registered the domain name . . . in order to prevent the Complainant . . . from registering the Mark as a domain name, provided that the Registrant . . . has engaged in a pattern of [such behaviour] . . . , or

There are two requirements for bad faith to be established under para. 3.7(b).

The first requirement is that the Registrant have registered the domain name (“msnsearch.ca”) in order to prevent the Complainant from registering *the Mark(s)*. The Marks at issue in this case, as noted above in these reasons, are cited as the Complainant’s registered trademarks:

<u>Mark</u>	<u>CIPO Reg. No.</u>	<u>Date of Use in Canada</u>	<u>Date Reg.</u>
MSN(with design)	471,196	May 24, 1995	Feb. 18, 1997
MSN(with design)	475,091	July 11, 1995	Apr. 23, 1997
MSN	559,054	Mar. 07, 1995	Sep. 27, 1996
MSN.CA	608,654	Feb. 01, 1999	Apr. 27, 2005
MSN	627,227	Mar , 1995	Apr, 27, 2005

The Registrant’s registration of “msnsearch.ca” would not preclude the Complainant from registering any of those five Marks as domain names. Marks differing from prior registered domain names in only very minor respects, for example in a single letter or number, are not blocked from registration as domain names by the prior domain name registrations. This principle is captured in *CIRA Registration Rules*, para. 3.4:

Conflicting Names. A domain name will not be registered if, at the time the Registration Request is made to CIRA, the domain name is an exact match in all respects to a domain name which is registered in the name of another person . . . [emphasis added]

All five of the Complainant’s Marks listed above, though Confusingly Similar with the Registrant’s domain name, nevertheless would be registrable as domain names (in the form of each Mark followed by dot-ca), despite the Registrant’s registration of the domain name “msnsearch.ca”. Since the Registrant’s domain name registration would not block the Complainant from registering any of the Marks, we cannot infer that the Registrant registered the domain name “in order to prevent the Complainant from registering the Mark as a domain name”.

Having found that the Registrant did not register the domain name in order to prevent the Complainant from registering its Marks as domain names, the Panel cannot find that the Registrant registered the domain name in Bad Faith under this provision. Thus, it becomes unnecessary to consider the substantial argument and evidence offered in the Complaint of the Registrant’s (or the Registrant’s chief shareholder’s and officer’s) past pattern of such activity.

3.7(c) Registrant’s Purpose of Disrupting the Business of a Competitor

Policy, para. 3.7(c) sets out this circumstance of bad faith:

(c) the Registrant registered the domain name . . . *primarily* for the purpose of disrupting the business of the Complainant . . . who is a competitor of the Registrant. [emphasis added]

To succeed in showing the Registrant's bad faith under this heading, the Complainant must prove two things: 1) that the Registrant and the Complainant are "competitors", and 2) that the Registrant registered the domain name primarily for the purpose of disrupting the business of such Complainant-competitor.

The Panel finds that the meaning of "competitor" is, in substance, that from business or economic theory. For the Registrant and the Complainant to be competitors they would each have to offer in a marketplace, a good or a service, that could be at least imperfect substitutes for each other – such that in the right conditions of relative prices, etc., some consumers would consider buying the Registrant's good or service instead of the Complainant's good or service.³ The Panel has no evidence that the Registrant is a competitor of the Complainant.

Since the Registrant and Complainant cannot be found to be competitors, it becomes unnecessary to consider whether the Registrant registered the domain name primarily for the purpose of disrupting the business of the Complainant. Thus, the Panel cannot find bad faith under this heading.

Conclusion on Bad Faith

As noted above, the CIRA Policy defines "Bad Faith" very restrictively. There will be no finding of Bad Faith unless one or more of only the three specifically defined circumstances are proved. There has been no proof of any of these three circumstances in this case, and thus there can be no finding under the Policy of the necessary Bad Faith in registering the domain name.

Final Conclusions on Complaint

Policy, para 4.1 requires, for a Complainant to succeed in its Complaint against a domain name Registrant, that the Complainant prove, on the balance of probabilities, that the domain name is Confusingly Similar with the Complainant's Mark – the Complainant has been successful in this respect, and that the Registrant registered the domain name in Bad Faith, as defined in the Policy – the Complainant has been unsuccessful in this respect. Thus the Complainant cannot succeed in this Complaint.

Policy, para 4.1 requires, in addition, for a Complaint to succeed that the Complainant provide "some evidence" that the Registrant has no Legitimate Interest in the registered domain name. Both the Complainant and the Registrant tendered evidence and argument addressed to this issue. However, since the Complaint cannot succeed owing to the finding that Bad Faith has not been proved, it is not necessary to the determination of this Complaint for the Panel to decide the issue of Legitimate Interest.

Registrant's Claim *Re* Bad Faith of Complainant

³ This concept of "competitor" would extend to domain name registrants who did not themselves offer products which could be substitutes for the products of the Complainant, but who used their Internet site to facilitate access to others who did offer products that could be substitutes for the products of the Complainant. There is no evidence that the Registrant was a "competitor" in this sense.

CIRA Policy, para. 4.6, provides that if a Registrant is successful in resisting a complaint, and if the Registrant can prove, on the balance of probabilities:

that the Complaint was commenced by the Complainant for the purpose of attempting, unfairly and without colour of right, to cancel or obtain a transfer of any Registration which is the subject of the Proceeding, then the Panel may order the Complainant to pay to the Provider in trust for the Registrant an amount of up to five thousand dollars (\$5000) to defray the costs incurred by the Registrant [emphasis added]

The Registrant submitted in its Response that the Complainant should be seen as having filed this Complaint in bad faith as an attempt, “unfairly” and “without colour of right” to cancel or to obtain a transfer of the registration subject to the Complaint.

This Panel has found the Registrant’s domain name to be Confusingly Similar to five of the Complainant’s Marks. The Panel found it unnecessary to make a final decision on whether the Registrant had a Legitimate Interest in the domain name, but from its review of the evidence and argument the Panel is at least prepared to conclude that this was a debatable issue. The Panel found that the Registrant did not register the domain name in Bad Faith, under the restrictive definition of “Bad Faith” in the Policy. In doing so we noted that if the UDRP definition of “bad faith” had applied, the Registrant might well have been found to have registered in bad faith. For a party familiar with the UDRP, as the Complainant was, the extensive superficial similarity of language and structure between the UDRP and the CIRA Policy may tend to mask large substantive differences between the two policies and so tend to entrap an honest, but unwary complainant.

“Colour of right”, of course, is not the existence of the right, but the semblance of a right which actually does not exist. Elsewhere in the law, “colour of right” has been defined to require an honest belief in the existence of the right. Particularly in the light of the Complainant’s experience under the UDRP, and in the light of the superficially apparent similarities of the CIRA Policy to the UDRP, the Panel sees no reason to doubt that the Complainant had an honest belief in its right to object to the domain name at issue. When there is a mere colour of right, and not an actual right, the honest believer in that right is, of course, mistaken. In this case, the Complainant’s mistake was probably not with respect to the facts of the case. The Complainant’s mistake was with respect to the “law” embodied in the CIRA Policy. The Panel believes that colour of right under the Policy ought to include cases of mistake of law, at least this case of a mistake of law.

The Panel interprets the Policy para. 4.6 words, “unfairly *and* without colour of right”, conjunctively, that is requiring a showing of both, a lack of colour of right and of unfairness, in order to succeed in claiming costs under the paragraph.⁴ Thus, since there was colour of right, the Panel need not decide whether there was unfairness as contemplated by para. 4.6.

Thus, the Panel is not prepared to grant the Registrant its requested order for an award of costs under *Policy*, para. 4.6

⁴ In this Panel’s view, if the earlier decision of *Air Products Canada Inc. v. Index Quebec*, CIRA Dispute 00007 & 00007A, 15 & 23 April, 2003, suggests differently, this Panel cannot agree with that suggestion.

Order

For the reasons set out above, the Panel refuses to grant the relief requested by the Complainant, and does not order the transfer⁵ or the cancellation of the registration of the domain name.

Also, for the reasons set out above, the Panel refuses to grant the request of the Registrant for an order of costs under *Policy* para. 4.6

Date: July 19, 2005

Paul W. Donovan, Denis N. Magnusson (Chair), Daria Strachan

Denis N. Magnusson (Chair)

⁵ As the Complainant would appear not to qualify under the Canadian Presence Requirements to be the Registrant of the domain name “msnsearch.ca”, it appears that the remedy of an ordered transfer from Registrant to Complainant would not have been possible. Under Policy para. 4.3, the registration could have been cancelled or a transfer could have been ordered to a nominee of the Complainant who satisfied the Canadian presence requirements.