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

Domain Name: ZANTAC.CA **Complainant:** Johnson & Johnson **Registrant: Globe Media International Corporation Registrar: DomainsAtCost Corp.** Panelists: Barry C. Effler, Chair W.A. Derry Millar **R. John Rogers British Columbia International Commercial Arbitration Service Provider:** Centre File no. DCA-1034-CIRA

DECISION

The Parties

1. The Complainant is Johnson & Johnson, a corporation incorporated under the laws of Canada with its headquarters in Markham, Ontario. Johnson & Johnson satisfies Canadian Presence requirements under the *Canadian Internet Registration Authority Domain Name Dispute Resolution Policy* ["Policy"], because it is incorporated under the laws of Canada and the complaint relates to a trademark registered in the Canadian Intellectual Property Office ["CIPO"].

2. The Registrant is Globe Media International Corporation, a corporation incorporated under the laws of Canada with its headquarters in Toronto, Ontario, hereafter referred to as "Globe Media". Submissions on behalf of Globe Media were filed by its President, Stefano Venneri.

The Domain Name and Registrar

3. The domain name at issue is "zantac.ca". The domain name is registered with DomainsAtCost Corp.

Panel Members' Impartiality and Independence Statements

4. As required by paragraph 7.1 of the Rules, all three panelists have declared to the Provider that they can act impartially and independently in this matter.

Procedural History

5. Johnson & Johnson submitted a Complaint under the Policy to the Domain Name Dispute Resolution Provider, British Columbia International Commercial Arbitration Centre on November 2, 2007. The Complaint was reviewed and found to be compliant.

6. By letter and email dated November 2, 2007, the Provider so advised the parties and forwarded a copy of the Complaint to the Registrant, Globe Media as required by paragraph 4.3 of the *CIRA Domain Name Dispute Resolution Rules* ["Rules"].

7. The Registrant delivered its Response, in compliance with the Policy and Rules, to the Centre on November 30, 2007.

8. The Provider selected the panel of three and appointed the Chair according to the process outlined in the Rules.

9. Two arbitrators proposed by the parties declared a conflict and therefore were unable to be on a panel. The Provider's appointment letter was delayed one business day to December 10, 2007.

10. By way of a letter dated December 5, 2007 the Complainant requested further submission to reply to the new issues raised in the Response. The Registrant disagreed with the request. After consideration, the Panel denied the request to submit further information.

Preliminary Objections by Registrant

The Registrant raised several preliminary objections to this arbitration continuing.
Quoting from one of the Registrant's messages sent directly to the Panel on December
2007:

We fell [sic] that the Arbitration Centre should not be allowed to proceed with this case on the basis of: (1) Allowing communication from the Complainant to the Panel (2) Not responding to the Registrants formal questions (3) Ignoring rules set by CIRA Sincerely, Stefano Venneri President Globe Media International Corporation

(1) Allowing communication from the Complainant to the Panel

 This objection is based on the wording in the appointment letter of December 10,
2007 that advised the Panel that the Complainant had requested permission to make further submissions.

13. Quoting again from the same December 10, 2007 message of the Registrant's sent directly to the Panel:

We have receive the Panel appointment letter, which notes the request made by the Complainant,

"By way of a letter dated December 5, 2007 the Complainant has requested further submission to reply to the new issues raised in the Response. The Registrant has disagreed with the above request."

We must assume that the panel at this point has knowledge that the Complainant may want to submit further arguments, which is highly irregular according to the CIRA rules and regulations, and is not allowed according to the rules. This type of behaviour brings to question the Arbitration Centre's conduct towards the case.

14. The Provider followed the correct procedure to advise a Panel of a request to submit further information made by a party. These requests are to be sent to the Panel in writing with a copy being given to all parties. That was what was done in this case. If the Panel wants to allow the request, it should notify the Provider of this and the Provider should handle all communications directly with the parties.

15. In this case, the Registrant sent its messages directly to the Panel as well as to the other party and the Provider. This was improper. All communications in a CIRA arbitration are to be sent through the Provider. No harm occurred in this case as the information contained in the messages would have been forwarded on to the Panel in the normal course, anyway.

(2) Not responding to the Registrants formal questions

16. Quoting again from the same message of the Registrant's:

The Arbitration Centre has failed to properly communicate its actions with the Registrant, we feel that the Arbitration Centre may be favouring the actions of the Complainant and has ignored our valid questions in regards to the case. The Arbitration Centre has failed to follow the Rules as set by CIRA and has not given a formal explanation for its actions.

The Arbitration Centre has allowed communication from the Complainant to the Panel, which is highly irregular and not allowed under the Rules, the Arbitration Centre has further ignored rule 6.5 and appointed a Panel after the maximum allowed time of (5) days, rule 6.5 makes it very clear that the Panel must be chosen within (5) days of receiving the Response. The Arbitration Centre has not formally contacted us in regards to having problems in assembling a Panel within the (5) days allowed. The Arbitration Centre without responding to our formal questions has not allowed for a fair defence if required to any of the Panel questions.

17. The Panel finds no merit to this objection. We did not and should not receive copies of all relevant messages between the parties and the Provider on this issue. Further, the Provider is not a party to the case. Finally, we see no prejudice to the Registrant in the conduct of this arbitration as the Registrant filed a full and reasoned defence to the case claimed by the Complainant.

18. There was no communication from the Complainant to the Panel, as alleged by the Registrant. There was only the notification from the Provider passing on the Complainant's request to file further information, as already discussed above.

(3) Ignoring rules set by CIRA

19. The appointment of the Panel occurred by formal letter dated December 10, 2007. The Registrant objected to this as quoted above saying the appointment had to occur within 5 days of receipt of the response from the Registrant.

20. The correct procedure to deal with an allegation that the Rules have not been followed is to have the Panel hear and deal with the objection. This is what has occurred in this case.

21. The request by the Registrant to have outside parties such as CIRA intervene was incorrectly made. Once a Panel has been appointed, it is up to the Panel to review any challenges to its jurisdiction.

22. Relevant sections of the Rules state:

6.4 Selection of Panel. Except as provided in 6.5, within five (5) days after receipt of the Response by the Provider or if the Provider gives notice to the Complainant under paragraph 6.3, within five (5) days after receipt of the notice by the Complainant, the Provider shall appoint:

(a) three (3) Panellists nominated by both Parties;

1.3 Time. Unless otherwise expressly provided in the Resolution Rules or by a Panel, the time limits set out in the Resolution Rules or in an order of the Panel are mandatory.

1.4 Extension of Time. A Panel may by order extend any time, including the time for sending a document or taking any other action, prescribed by the Resolution Rules or an order of the Panel, on such terms as are just, on a written request made by a Party before or after the time prescribed or at the election of the Panel. If a Panel extends any time period, it shall promptly give notice to the Parties and the Provider.

23. The appointment letter to the Panel went out on December 10, 2007. This was the 6^{th} business day after receipt by the Provider of the Response. The Registrant is correct that this is outside of the time stated in the Rules, in Rule 6.4. The reference by the Registrant to Rule 6.5 is incorrect. As noted in paragraph 9, the delay of one day in appointing the panel resulted from two arbitrators having been proposed by the parties declining to act due to conflicts.

24. The Panel Chair accepted the appointment on December 6, 2007 by an email to the Provider responding to the request checking to see if he was available to act.

25. The consequences of the Panel setting aside this arbitration would merely be to have the arbitration heard by a new panel. It would not stop the Complainant from proceeding with its claim.

26. All panelists appointed in this case were on the list of potential arbitrators provided by the Registrant.

27. The one day delay caused no prejudice to the Registrant or the Complainant.

28. Accordingly, this is an appropriate case for the Panel to exercise its authority pursuant to Rule 1.4 and order the time period for the appointment of the Panel to be extended to December 10, 2007.

ORDER: The Panel hereby extends the time for the appointment of the panel pursuant to Rule 6.5 to December 10, 2007.

29. The Panel extended the time for delivery of its decision to March 11, 2008 and the appropriate order was sent to the Provider. This extension was to allow for time to review the Registrant's preliminary objections, accommodate travel obligations of some panelists and the illness of one.

Factual Background

30. Johnson & Johnson is a member of the Johnson and Johnson group of companies. It is the successor to Pfizer Canada Inc., the former owner of the ZANTAC trademark in Canada. Johnson & Johnson is the current registered owner of Canadian trademark registration number T MA282380, registered in 1980 for the trademark ZANTAC for use in association with:

Wares: (1) Pharmaceutical preparations, being gastric fluid inhibitors.

31. The trademark for ZANTAC was assigned to Johnson & Johnson effective December, 2006. Johnson & Johnson also owns seven other Canadian trademarks that include the word ZANTAC.

32. Annual sales of ZANTAC brand products in Canada exceed \$8 million dollars since 2002. Based upon the scope of business and advertising described by it, Johnson & Johnson is well known in Canada for its extensive line of ZANTAC branded gastric fluid inhibitors and has rights in the Zantac family of trademarks for the purposes of the Policy prior to registration of the disputed domain name.

33. Johnson & Johnson owns the domain name "zantac75.ca" and six other domain names beginning with "zantac". "Zantac75.ca" resolves to a web site describing Johnson & Johnson and its ZANTAC brand products and has been in continuous use since its registration by Johnson & Johnson's predecessor in 2000.

The Policy

34. The Policy in paragraph 4.1 sets out:

4.1 Onus. To succeed in the Proceeding, 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.

Even if the Complainant proves (a) and (b) and provides some evidence of (c), the Registrant will succeed in the Proceeding if the Registrant proves, on a balance of probabilities, that the Registrant has a legitimate interest in the domain name as described in paragraph 3.6.

Confusing Similarity Between Domain Name and The Complainant's Marks

35. The Complainant must prove, on a balance of probabilities, that the 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" within the meaning of the Policy.

36. Policy paragraph 3.2 defines "Mark":

3.2 Mark. A "Mark" is:

(a) a trade-mark, 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;

(b) a certification mark, including the word elements of a design mark, that has been used in Canada by a person or the person's predecessor in title, for the purpose of distinguishing wares or services that are of a defined standard;

(c) a trade-mark, including the word elements of a design mark, that is registered in CIPO; or

(d) the alphanumeric and punctuation elements of any badge, crest, emblem or mark in respect of which the Registrar of Trade-marks has given public notice of adoption and use pursuant to paragraph 9(1)(n) of the *Trade-marks Act* (Canada).

37. Policy paragraph 3.3 provides:

3.3 Rights. A person has "Rights" in a Mark if:

(a) in the case of paragraphs 3.2 (a) and 3.2(b), the Mark has been used in Canada by that person, that person's predecessor in title or a licensor of that person or predecessor;

(b) in the case of paragraph 3.2(c), the Mark is registered in CIPO in the name of that person, that person's predecessor in title or a licensor of that person; or

(c) in the case of paragraph 3.2(d), public notice of adoption and use was given at the request of that person.

38. The Complainant has Rights in the Mark ZANTAC, as ZANTAC is a trade-mark registered in CIPO in the name of the Complainant. This trade-mark registration occurred on August 12, 1983, well prior to the Domain Name registration date of May 7, 2003.

39. The Complainant asserts that the Domain Name ZANTAC.CA is "Confusingly Similar" to the Complainant's Mark, ZANTAC.

40. Paragraph 3.4 of the Policy provides a definition of "Confusingly Similar":

3.4 "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.

41. In applying Policy paragraph 3.4, it is important to note that Policy paragraph 1.2 states:

For the 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.

42. It is clear that with the exclusion of the "dot-ca" suffix the Domain Name is the same as the Mark. The panel therefore finds that the Complainant has met the "Confusingly

Similar" requirement; that the Complainant had Rights in its Mark ZANTAC prior to the registration of the Domain Name zantac.ca by the Registrant; and that the Complainant continues to have Rights in its Mark, ZANTAC.

Bad Faith Registration

43. Policy paragraph 3.1(c) requires the Complainant to prove, on a balance of probabilities, that the Registrant registered the domain name in bad faith, as described in Policy paragraph 3.7.

44. Policy paragraph 3.7 sets forth an exhaustive list of criteria for determining whether a registrant registered a domain name in "bad faith":

3.7 Registration in Bad Faith. For the purposes of paragraph 3.1(c), a Registrant will be considered to have registered a domain name in bad faith if, and only if:

(a) 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;

(b) 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; or

(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.

45. A complainant will rarely have direct evidence of the registrant's purpose for registration. Therefore 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.(*CBC v. William Quon*, (April 8, 2003) BCICAC DCA 681-CIRA).

46. The Complainant relies upon Policy paragraph 3.7 (a), (b) and (c) in support of its assertion that the Registrant has acted in bad faith in registering the Domain Name. It points to the following as evidence that leads to the inference of bad faith:

- (a) With respect to section (a) of Paragraph 3.7 of the Policy, the Registrant offered to transfer the domain name to the Complainant in exchange for payment of \$2,000.00, later reduced to \$1,500, a fee considerably in excess of the actual cost of registering a dot-ca domain name.
- (b) The Registrant registered the domain name in bad faith as defined by Paragraph 3.7(b) of the Policy by preventing the Complainant from registering ZANTAC as a domain name in the dot-ca top-level domain and by engaging 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 Complainant points to the registration of the following well-known trade marks as domain names by the Registrant:

VERSACE.CA KMART.CA LABATTS.CA LOTO649.CA MOVADO.CA SMIRNOFF.CA FENDI.CA

(c) The Registrant registered the domain name in bad faith as defined by Paragraph 3.7(c) primarily for the purpose of disrupting the business of the Complainant in that by registering the domain name, the Registrant caused users of the internet seeking the Complainant's website to be directed to the Registrant's website thereby putting the Complainant's business reputation at risk by suggesting that the business carried on by the Registrant on its website is a business of the Complainant's or at least a business endorsed by the Complainant.

47. In response, the Registrant asserts that it did not act in bad faith in registering the Domain Name in that:

- (a) There is nothing in the Policy rules prohibiting the Registrant from selling the Domain Name. The fact that the Registrant offered it to the Complainant is therefore not an indication of bad faith and that therefore Paragraph 3.7(a) has no application; and
- (b) The intention of the registration by the Registrant of the Domain Name was not to prevent the Complainant from registering the Mark as a domain name but to permit it to offer email services in the name of the Domain Name. Similarly with the other domain names listed by the Complainant. There was no bad faith on the Registrant's behalf and, therefore, Paragraph 3.7 (b) has no application

48. The Panel disagrees with the Registrant's assertions as set out above. The offering to sell the Domain Name zantac.ca for an amount in excess of excess of registration costs is precisely the test in Policy paragraph 3.7 (a) and accordingly the Complainant has established bad faith for the purposes of the Policy in this case.

49. The Panel does not need to specifically make findings with respect to the arguments regarding Policy paragraph 3.7 (b) and (c) since bad faith has been established.

No Legitimate Interest in the Domain Name

50. The Complainant must provide "some evidence" that the Registrant has no legitimate interest in the Domain Name, as described in Policy paragraph 3.6. If the Complainant satisfies this evidentiary burden, the onus shifts to the Registrant to prove on a balance of probabilities that the Registrant has a legitimate interest in the challenged domain name.

52. Policy paragraph 3.6 sets forth an exhaustive list of criteria for determining whether a registrant has a legitimate interest in a domain name. It provides as follows:

3.6 Legitimate Interests. The Registrant has a legitimate interest in a domain name if, and only if, before the receipt by the Registrant of notice from or on behalf of the Complainant that a Complaint was submitted:

(a) the domain name was a Mark, the Registrant used the Mark in good faith and the Registrant had Rights in the Mark;

(b) 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: (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;

(c) 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;

(d) 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;

(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; or

(f) the domain name was the geographical name of the location of the Registrant's non-commercial activity or place of business.

In paragraphs 3.6 (b), (c), and (d) "use" by the Registrants includes, but is not limited to, use to identify a web site.

53. The legitimate interest criteria set forth in Policy paragraphs 3.6(a), (b), (c), and (d) are satisfied only if the registrant's use was in "good faith", a term which is not defined by the Policy.

54. In the Complaint, the Complainant alleges that the Registrant has not satisfied any of the legitimate interest criteria set forth in Paragraph 3.6 of the Policy, namely that:

- (a) The Registrant has no Rights in the Mark ZANTAC which owned by and was owned by the Complainant prior to the registration of the Domain Name by the Registrant. The Complainant points to the fact that the Registrant tried and failed to register the Domain Name as a Mark with the CIPO.
- (b) There is no evidence before us that the Domain Name is "clearly descriptive in Canada in the English or French language of" the character, condition or place of origin of any "wares, services or business" of the Registrant.

- (c) There is no evidence before us that the Domain Name is "understood in Canada to be the generic name" of any "wares, services or business" of the Registrant.
- (d) There is no evidence before us that the Domain Name is used in Canada "in association with a non-commercial activity".
- (e) There is no evidence before us that the Domain Name comprises "the legal name of the Registrant" nor a "name, surname or other reference by which the Registrant was commonly identified."
- (f) There is no evidence before us that the Domain Name is "the geographical name of the location of the Registrant's non-commercial activity or place of business".

55. We find that the Complainant has provided some evidence that the Registrant has no legitimate interest in the domain name "Zantac.ca" as legitimate interest is defined in paragraph 3.6.

Onus on Respondent to establish a legitimate interest

56. Thus, the onus shifts to the Registrant to prove, on a balance of probabilities, that the Registrant has a legitimate interest in the challenged Domain Name.

57. The Registrant claims that it has been using the domain name, "Zantac.ca", in connection with the business of providing vanity email services. These email services as well as being provided through the domain name in dispute are also provided through other sites with domain names using known commercial names such as "Versace.ca", "Movado.ca", "Smirnoff.ca", and "Fendi.ca". The use of these known commercial names is described as the business of offering vanity email services.

58. In support of its contention that this is a legitimate business and thereby satisfies its onus as above described, the Registrant cites the following decisions of WIPO Arbitration panels: *F. Hoffman La Roche AG v. Domain Admin Tucows.com Co., WIPO Case N. D2006 1488;, International Raelian Religion of France v. Mailbank.com Inc. WIPO Case N. D2000-1210; Buhl Optical Co.v. Mailbank.com, Inc., WIPO Case N. D2000-1277; José de Jesús Velázquez Jiménez v. Mailbank.com, Inc., WIPO Case N.*

D2001-0341; and Puls Elekstronische Stromversorgungen GmbH V. Netidentity, WIPO Case N. D2002-0205.

59. In all of these decisions, the panels found that the registrant had established legitimate businesses in the form of vanity email services and notwithstanding the fact that one of the domain names used by the registrant included the complainant's registered trademark denied the complainant's application. The Registrant claims that we have a similar situation before us. The Registrant's position is that as its purpose in registering the Domain Name was to establish a vanity email service, it has satisfied the onus of establishing its "legitimate interest" in the domain name "zantac.ca".

60. However, the facts were different in the WIPO cases cited by the Registrant. In *Hoffman La Roche* the evidence was that the registrant had acquired "tens of thousands" of these vanity addresses. In *Raelian*, the registrant claimed to own domain names "corresponding to 70% of the most common surnames in English-speaking cultures". In *Buhl* the registrant claimed to have "approximately 100,000 registered customers" and to have registered "in excess of 15,000 domain names". In *Jiménez* the registrant was the same as in *Buhl* with the same business numbers; and similarly in *Puls*.

61. As was stated by the panel in *Hoffman La Roche* "The real question is whether the use claimed by the Registrant, whether it is successful in its commercial plans or not, is sufficient to qualify as a right or legitimate interest under the Policy". (p. 5)

62. We find that the use claimed by the Registrant in the matter at hand is insufficient to satisfy the onus placed upon it to meet the legitimate interest test. The Registrant provided evidence of four domain names used by the Registrant together with the domain in question as proof of its business legitimacy. There was no evidence of subscribers to the vanity email service. Surely, if this were in fact a legitimate business after three years of operations by the Registrant there would have been more evidence of domain names and of subscribers to the vanity email services.

63. Accordingly, the Panel is of the opinion that the Registrant has not proven, on a balance of probabilities, that the Registrant has a legitimate interest in the challenged domain name.

64. For these reasons, the panel orders that the domain name "zantac.ca" be transferred to the Complainant.

Dated March 11, 2008

Barry C. Effler (Chair), W.A. Derry Millar, R. John Rogers

Original signed by Barry C. Effler

Barry C. Effler C. Arb. (Fellow)