

CANADIAN INTERNET REGISTRATION AUTHORITY

DOMAIN NAME DISPUTE RESOLUTION POLICY

COMPLAINT

Dispute Number: DCA-1082-CIRA
Domain Names: staplesonlinerebate.ca
staplesonlinerebates.ca
staplesrebate.ca
Complainants: STAPLES, INC. and THE BUSINESS DEPOT LTD.
Registrant: Erik Maddeaux
Registrar: eNom Canada Corp. (Registrar No. 505567)
Panel: Stefan Martin
Service Provider: British Columbia International Commercial Arbitration Centre

DECISION

PREAMBLE

1. The Canadian Internet Registration Authority (“CIRA”) is responsible for operating the dot-ca Internet country code Top Level Domain (“ccTLD”).
2. This is an administrative proceeding pursuant to the CIRA Domain Name Dispute Resolution Policy, adopted by CIRA and in effect as of December 4, 2003 (the “Policy”) and the CIRA Domain Name Dispute Resolution Rules, version 1.1 (the “Rules”).
3. The CIRA Registration Agreement governing dot-ca domain names requires, in virtue of section 3.1 (a)(iv), that the Registrant complies with the Policy throughout the terms of the registration agreement. Paragraph 3.1 of the Policy requires that the Registrant submits to this dispute resolution proceeding.
4. The British Columbia International Commercial Arbitration Centre (“BCICAC”) is a recognized service provider pursuant to the Policy.

THE PARTIES

5. The Complainants are STAPLES, INC., situated at 500 Staples Drive, Framingham, Massachusetts, 01702, U.S.A., and THE BUSINESS DEPOT LTD., situated at 6 Staples Avenue, Richmond Hill, Province of Ontario, L4B 4W3 Canada.

6. The Registrant is Erik MADDEAUX. The Registrant's address is 390 Queens Quay West, Suite 190, Toronto, Province of Ontario, M5V 3A6 Canada.

THE DOMAIN NAMES AND REGISTRAR

7. The Domain Names that are the subject of this proceeding are staplesonlinerebate.ca; staplesonlinerebates.ca; staplesrebate.ca.
8. The Registrar of the Domain Names is eNom Canada Corp. (Registrar No. 505567).
9. The Registrar approved the Domain Name staplesonlinerebates.ca on October 29, 2006.
10. The Registrar approved the Domain Name staplesonlinerebate.ca on December 8, 2006.
11. The Registrar approved the Domain Name staplesrebate.ca on December 8, 2006.

PROCEDURAL HISTORY

12. According to the information provided by BCICAC, the dispute resolution service provider, the history of this proceeding is as follows:
 - (a) On May 7, 2008 the Complainants filed a complaint regarding the Domain Names with BCICAC.
 - (b) On May 9, 2008, after having determined that the complaint was in administrative compliance with the requirements of the Policy and the Rules, the BCICAC commenced the dispute resolution process and served notice of the complaint to the Registrant.
 - (c) Attempts to deliver the Complaint to the Registrant by courier have been unsuccessful. However, the Complaint was sent to the Registrant by email on May 22, 2008.
 - (d) The Registrant failed to provide a timely response to the complaint as set out in Paragraph 5 of the Rules.
 - (e) The Complainants have decided to proceed with the arbitration.
 - (f) The complaint was filed in English, which is the language of this proceeding in accordance with Paragraph 10.1. of the Rules.

- (g) In the absence of a response, the Complainants have elected, under Paragraph 6.5 of the Rules, to convert from a panel of three arbitrators to a single Panel.
 - (h) Mtre Stefan Martin has been appointed as sole panellist and has delivered to the BCICAC the required Statement of Impartiality and Independence, as required by Paragraph 7 of the Rules.
 - (i) Absent exceptional circumstances, the Panel was required to deliver its decision by July 7, 2008.
13. The Panel finds that it was properly appointed in accordance with the Policy and the Rules.
14. Based upon the information provided by the BCICAC, the Panel finds that all technical requirements for the commencement and maintenance of this proceeding were met.
15. The Complainants were represented by legal counsel throughout this proceeding. The Respondent was not represented by legal counsel.

FACTUAL BACKGROUND

16. The Panel proceeds on the basis of the following facts, which are established by the evidence submitted by the Complainants:
- (a) The Complainants are STAPLES, INC., situated at 500 Staples Drive, Framingham, Massachusetts, 01702, U.S.A., and THE BUSINESS DEPOT LTD., situated at 6 Staples Avenue, Richmond Hill, Province of Ontario, L4B 4W3 Canada.
 - (b) The Registrant is Erik Maddeaux. The Registrant's address is 390 Queens Quay West, Suite 190, Toronto, Province of Ontario, M5V 3A6 Canada.
 - (c) The Registrar approved the Domain Name staplesonlinerebates.ca on October 29, 2006
 - (d) The Registrar approved the Domain Name staplesonlinerebate.ca on December 8, 2006.
 - (e) The Registrar approved the Domain Name staplesrebate.ca on December 8, 2006.

17. The Complainants contend as follows:

(a) The Complainant STAPLES, INC. is the owner in Canada of the following registered trade-marks:

		REGISTRATION DATE
STAPLES	TMA570,802	2002-11-18
STAPLES	TMA372,897	1990-09-07
STAPLES & DESIGN	TMA560,480	2002-04-19
STAPLES STICKIES	TMA691,668	2007-07-09
STAPLES STICKIES & Design	TMA691,640	2007-07-09
STAPLES THE OFFICE SUPERSTORE	TMA372,215	1990-08-24

and the Domain Names are confusingly similar to the Complainant's trade-marks, in which the Complainant had rights prior to the registration of the Domain Names and in which the Complainant continues to have such rights.

- (b) The Registrant has no legitimate interest in the Domain Names because:
- (i) the Registrant has not used the Domain Names in good faith and has no rights in the Complainant STAPLES INC.'s said registered trade-marks;
 - (ii) the Domain Names are not clearly descriptive;
 - (iii) the Domain Names are not a generic name;
 - (iv) the Domain Names have not been used in association with a non-commercial activity;
 - (v) the Domain Names are not the name or surname of the Registrant, and;
 - (vi) the Domain Names are not a geographical name.
- (c) The Registrant registered and is using the Domain Names in bad faith because:
- i) the Registrant registered the Domain Names to prevent the Complainants from registering its trade-marks as Domain Names, and has engaged in a pattern of doing so;

- ii) the Registrant registered the Domain Name primarily for the purpose of disrupting the business of the Complainant, who is a competitor of the Registrant.

18. The Registrant, as previously mentioned, did not respond to the complaint.

DISCUSSION AND FINDINGS

JURISDICTION OVER THE PARTIES

19. The Complainant STAPLES, INC. is the registered owner in Canada of the trademarks identified at paragraph 17(a) hereof and therefore satisfies the CIRA Canadian Presence Requirement for Registrants, as stipulated in paragraph 1.4 of the Policy.

EFFECT OF FAILURE OF REGISTRANT TO FILE A RESPONSE

20. Section 5.8 of the Rules provides that:

“If a Registrant does not submit a Response within the period for submission of a Response or any period extended pursuant to paragraph 5.4 or 5.6, the Panel shall decide the Proceeding on the basis of the Complaint [...]”

21. However, as stated in *Browne & Co. Ltd. v. Bluebird Industries* (CIRA Decision N° 00002):

“This requirement does not preclude the Panel from assessing the integrity and credibility of the evidence as disclosed in the Complaint.”

22. In the present case, the Panel does not see any reason to question the integrity and credibility of Complainants’ evidence.

APPLICABLE LAW

23. Pursuant to Section 12.1 of the Rules, the Panel shall apply the laws of Ontario, or if the Registrant is domiciled in Quebec, the laws of Quebec, or, if a preference for the laws of another province or territory has been indicated by both parties, the laws of the other province or territory and, in any event, the laws of Canada applicable therein.

24. The Registrant is domiciled in Ontario. The Complainants have not stated a preference for any applicable law and therefore the Panel will render its decision in accordance with the Policy, the Rules and any rules and principles of law applicable in the Province of Ontario and the laws of Canada applicable therein.

OVERVIEW OF THE POLICY

25. Paragraph 4.1 of the Policy sets forth the Complainants' burden of proof in order to succeed in the proceeding. The onus is on the Complainants to prove, on a balance of probabilities that:
- (a) the Registrant's dot-ca Domain Names are confusingly similar to a Mark in which the Complainants had rights prior to the date of registration of the Domain Names and continues to have such rights; and
 - (b) the Registrant has registered the Domain Names in bad faith as described in paragraph 3.7.

The Complainants must also provide some evidence that:

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

CONFUSING SIMILARITY BETWEEN DOMAIN NAMES AND COMPLAINANTS' MARKS

26. As it was held by the Panel in *Government of Canada, on behalf of Her Majesty the Queen in Right of Canada v. David Bedford*, BCICAC Case No. 00011, where a complainant relies upon a trade-mark registered prior to the domain name registration date, the Policy does not require or permit the Panel to go behind the registration to determine whether the trade-mark is valid or invalid based upon lack of distinctiveness or non- use. This principle was confirmed in *Viacom International Inc. v. Harvey Ross Enterprises, Ltd.*, BCICAC Case No. 00015:

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

and of itself to establish such “rights” within the meaning of the Policy.”

27. The Complainants submit that the Domain Names are “confusingly similar” to the following trade-marks which the Complainant STAPLES, INC. had registered prior to the date of registration of the Domain Names and in which the Complainants continue to have rights:

		REGISTRATION DATE
STAPLES	TMA570,802	2002-11-18
STAPLES	TMA372,897	1990-09-07
STAPLES & DESIGN	TMA560,480	2002-04-19
STAPLES STICKIES	TMA691,668	2007-07-09
STAPLES STICKIES & Design	TMA691,640	2007-07-09
STAPLES THE OFFICE SUPERSTORE	TMA372,215	1990-08-24

28. The Complainant STAPLES, INC. has therefore provided sufficient evidence to demonstrate that it had registered its trade-marks in Canada prior to the dates of registration of the Domain Names, that is October 29, 2006 and December 8, 2006, and that it is still their registered owner.

29. Paragraph 3.4 of the Policy defines the term “Confusingly Similar” as follows:

“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.”

30. In applying this definition, it is important to note paragraph 1.2 of the Policy which stipulates that:

“[...] 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.”

31. In this context, the test to be applied is one of first impression and imperfect recollection (*Government of Canada v. Bedford*, May 27, 2003, p. 15) :

“Accordingly, for each Domain Name the Complainant must prove on a balance of probabilities that a person, on a first impression, knowing the Complainant’s corresponding mark only and having an imperfect recollection of it, would likely

mistake the Domain Name (without the .ca suffix) for Complainant's corresponding mark based upon the appearance, sound or the ideas suggested by the Mark.”

32. Considering these principles, the Panel notes that the Domain Names include the word “stapple” which constitutes the distinctive element of Complainants' trademarks listed above. The addition by the Registrant of descriptive terms (online rebate, online rebates, and rebate) are irrelevant to the assessment of the issue of “confusing similarity”).
33. In light of all the above, the Panel is of the view that the Complainants have met their first burden of proof.

NO LEGITIMATE INTEREST IN THE DOMAIN NAME

34. The Complainants submit that the Registrant has no “legitimate interest” in the Domain Names, as this term is defined in paragraph 3.6 of the Policy.
35. Paragraph 3.6 of the Policy sets forth an exhaustive list of criteria for determining whether a registrant has a legitimate interest in a Domain Name. It reads as follows:

“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 Registrant includes, but is not limited to, use to identify a web site."

36. Since the Registrant has failed to provide a Response to the complaint, the Panel is therefore limited to reviewing the evidence and arguments submitted by the Complainants.
37. With regard to the burden of proof "the Complainants must provide some evidence that none of these interests applied to the Registrant. The burden would then shift to the Registrant to show that it has, on the balance of probabilities, any one of these legitimate interests as defined under these subparagraphs." (*Thrifty Inc. v. Supriyo Malaker*, CIRA, Decision No. 45, par. 34)
38. The operation of an Internet Portal Service which provides links to other websites does not constitute a *bona fide* offering of goods and services pursuant to Section 3.6(a) of the Policy.
39. In this regard, the evidence demonstrates that the Registrant has used the Domain Names for the sole purpose of attracting users to its websites and to obtain advertising revenue through pay-per-click links. This activity does not fall within the ambit of Section 3.6(a) of the Policy.
40. "Staples" is not a generic word nor is it clearly descriptive in Canada, in the English or French languages, of the character or quality of the wares, services, business, conditions of or the persons employed in, production of the wares, performance of the services, or operation of the business or the place of origin of the wares, services or business of the Registrant.
41. "Staples" is not the legal name of the Registrant, nor is there any evidence to suggest that it is the name, surname or other reference by which the Registrant was commonly identified, thus eliminating subparagraph 3.6(e) of the Policy.

42. Finally, there is no evidence to suggest that the Registrant has never used the Domain Names in association with a non-commercial activity, and therefore subparagraphs 3.6(d) and (f) of the Policy are also eliminated.
43. In light of all the above, the Panel is of the view that the Complainants have met their second burden of proof.

BAD FAITH REGISTRATION

44. The Complainants submit that the Registrant has registered the Domain Name in “bad faith” as this term is defined in paragraph 3.7 of the Policy.
45. Paragraph 3.7 of the Policy sets forth the following exhaustive list of criteria for determining whether a Registrant registered a domain name 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.”

46. In the assessment of bad faith, a Panel “should take into account all surrounding circumstances [...] given that it is virtually impossible to conclusively show actual bad faith”. (*Statoilhydro ASP. v. Maksim*, CIRA No. 151)

47. The Panel agrees that the ownership of multiple domain names which correspond to third party’s trade-marks constitutes *prima facie* evidence of bad faith registration:

“Moreover, the Registrant has failed to provide any tenable, explanation as to its numerous registrations of other domain names which are comprised of third parties marks. The clear inference to be drawn from that conduct, coupled with the registration of the Domain Name in issue, is that it was done so in bad faith with a view to preventing the Complainant from registering its trade-marks as a domain name.”

- *Viacom International Inc. v. Harvey Ross Enterprises, Ltd.* (BCICAC Case No. 00015)

48. In this regard, the evidence demonstrates that the Registrant is involved in a pattern of registering domain names incorporating trade-marks of third parties and therefore the Complainants have satisfied the requirements of par. 3.7(b) of the Policy.

49. The use of a domain name “in association with a web page that linked to competitors of the Registrant, constituted the Registrant a competitor of the Complainant for the purposes of the CIRA Policy para. 3.7(c)”. (*Sleep Country Canada Inc. v. Pilfold Ventures Inc.*, (2005) CIRA 0027)

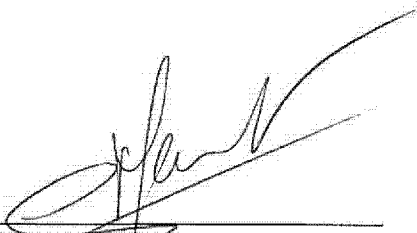
50. In order to determine whether the Registrant could in fact be qualified as a “competitor” of the Complainants whose actions “disrupted” the business of the Complainants, it is also pertinent to cite *Amazon.com Inc. v. David Abraham* (BCICAC Case No. 00018), as the activities of the registrant in that case were similar to the Registrant’s activities:

“His business is to attract Internet traffic to his websites and by referring this traffic on to websites such as those owned by the Complainant, to generate referral fees. By carrying on this business through the websites named with the Disputed Domain Names, the Registrant was clearly competing with the Complainant and disrupting its business” [emphasis added].

51. It is clear from the evidence that the Registrant, through the pay-per-click advertising, earns revenues by directing internet users to the website of the direct competitors of the Complainants. In this regard, the Registrant is disrupting the business of the Complainants pursuant to paragraph 3.7(c) of the Policy.
52. Consequently, the Panel is of the view that the Complainants have met their third and final burden of evidence.

CONCLUSION AND DECISION

53. The Complainants have proven, on a balance of probabilities, that the Domain Name is Confusingly Similar to Marks in which the Complainants have Rights prior to the date of registration of the Domain Name and in which the Complainants continue to have such Rights, as such terms are defined in the Policy.
54. The Complainants have adduced evidence that the Registrant has no legitimate interest in the Domain Names, as described in paragraph 3.6 of the Policy. Furthermore, the Registrant, having decided not to file a response, has obviously not proven, on a balance of probabilities, that he has a legitimate interest in the Domain Name, as described in paragraph 3.6 of the Policy.
55. Finally, the Complainants have also proven, on a balance of probabilities, that the Registrant registered the Domain Name in bad faith as described in Paragraph 3.7 of the Policy.
56. For these reasons, the complaint regarding the Domain Names is successful and the Panel orders and directs that the registration of the Domain names "staplesonlinerebate.ca", "staplesonlinerebates.ca", and "staplesrebate.ca" be transferred to the Complainant THE BUSINESS DEPOT LTD.



Stefan Martin
Date: July 7, 2008