

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

Domain Names: **SPAFINDER.CA**

Complainant: **Spafinder, Inc.**
Registrant: **Ontario Spa Inc.**
Registrar: **BareMetal.com inc.**
Panelist: **David Lametti**
Service Provider: **ResolutionCanada**

DECISION

A. The Parties

1. The Complainant is Spafinder, Inc. Its address is 257 Park Avenue South, New York, New York, 10010, USA. The Complainant is represented by Andrea Safer, Heenan Blaikie LLP, Barristers and Solicitors, 200 Bay Street, Suite 2600, Toronto, Ontario, M5J 1J4. The Complainant has a registered trademark in Canada and thus satisfies Canadian Presence requirements under s. 2.1(q) of the Policy.

2. The Registrant is Ontario Spa Inc. Its contact address is 985 Knotty Pine Grove, Mississauga, Ontario, L5W 1J8. The contact person is Rajesh Sharma. Alternate addresses for the Registrant were listed as 7 St. Dennis Drive, Suite 512, Toronto, Ontario, M3C 1E4 and 1 Queen Street West, Toronto, Ontario, M5C 2W5.

B. The Domain Name and Registrar

3. The domain name at issue is < SPAFINDER.CA >. The domain name is registered with BareMetal.com inc. of Victoria, British Columbia.

C. Procedural History

4. The Complainant submitted this Complaint to the Domain Name Dispute Resolution Provider, Resolution Canada, on 27 June 2008. The Provider attempted to serve notice of the Complaint to the Registrant as required by paragraph 4.3 of the *CIRA Domain Name Dispute Resolution Rules* [the “Rules”] by email on 2 July 2008 (revised 3 July 2008) and by courier on 2 July 2008 to the Knotty Pine Grove address and on 7 July 2008 to the St. Dennis Drive address, all of which is documented by the Provider. The courier notifications and documents were returned as undeliverable. A new email notification asking for an updated contact address was sent to Mr Sharma on 9 July 2008. No response to the emails or couriers was received prior to the deadline to file a response, established as per the CIRA Rules as 23 July 2008.

5. On 25 July 2008, Mr. Sharma called the Registrar and said that he had just returned from being out of Canada, and asked for information about the emails. He was advised at that point that he had passed the deadline to file a Response, and as per the CIRA Rules, an extension could only be granted if the request had been made prior to the deadline to submit the Response.

6. The Complainant opted for a single Panelist and the Provider selected a single panelist according to the process outlined in the Rules.

D. Panel Members' Impartiality and Independence Statements

7. As required by paragraph 7.1 of the Rules, the Panelist has declared to the Provider that he can act impartially and independently in this matter as there are no circumstances known to him which would prevent him from so acting.

E. Factual Background

8. The facts of this dispute are relatively simple. The Complainant Spafinder is an American company that among other activities serves as a spa "resource". The spafinder.com website provides information and links about spas and spa services, and a variety of related travel, health and beauty products and services. Spafinder has been in existence since 1986 in the US and has offered the services described above since 2000. The SPAFINDER mark has been registered in the United States, and the Complainant maintains that it is well-known.

9. The Complainant has used the SPAFINDER mark in Canada since 29 August 2001. The mark is registered in Canada for use in association with the kinds of services offered on the spafinder.com website: the ordering of gift certificates online, the publication of magazines, articles and commentary featuring information for the vacation traveler and health, beauty and wellness information, and the ordering of bath and beauty products and publications online, as well as travel agency services. The mark is in good standing with CIPO, and is used in promotion with the Complainant's services.

10. In addition to the spafinder.com website, the Complainant also makes its services available at these websites: spafinder.co.jp (Asia), and spafinder.co.uk, spafinder.fr and spafinder.de (Europe).

11. The Registrant first registered the domain name in question on 26 March 2003. For an undetermined period the domain name resolved to a "spa and wellness services" website at SpasWorldwide.com, a website operated by Ontario Spa Inc. There was some similarity in the kinds of services offered as between this site and the Complainant's spafinder.com site. As of 28 April 2008 the domain name has not resolved to an active website.

12. The Complainant has offered evidence that its two attempts to seek the transfer of the domain name went unanswered. The Complainant then initiated this proceeding on 27 June 2008.

13. No response to the Complaint from the Registrant was received before the time deadline imposed by the CIRA Rules, nor was a request to extend the deadline received during that time frame.

F. CIRA Domain Name Dispute Resolution Policy Requirements

14. The *CIRA Domain Name Dispute Resolution Policy* [“Policy”] sets out at paragraph 4.1 what the Complainant must establish in order to successfully prove the complaint:

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 . . .

15. The Registrant has made no reply. The Policy and Rules nevertheless allow this complaint to proceed, and the Panelist shall proceed by holding the Complainant to the usual burdens of proof and argument incumbent on it in such cases.

G. Is the Registrant’s Domain Name Confusingly Similar to the Complainant’s Mark?

1) The Complainant’s Marks

16. Paragraph 3.2 of the Policy includes the following in the definition of what constitutes a “mark” for the purposes of the Policy:

A “Mark” is:

(a) a trade-mark . . . or a trade name that has been used in Canada . . . for the purpose of distinguishing the wares, services or business of that person . . . from the wares, services or business of another person; [and]

(c) a trade-mark . . . that is registered in CIPO . . .

17. The Complainant has shown ample evidence of its current ownership of the registered mark SPAFINDER in Canada, and given the nature of its website it is clear that it has been used in Canada by at least some of its users.

18. The scope of the rights in the mark are determined according to established principles of Canadian trademark law. In this case it might be argued that the elements of the trademark SPAFINDER – “spa” and “finder” – constitute a description of the services associated with the mark or represent a generic neologism covering those services associated with the mark. As such, Canadian trademark law might require evidence, furnished by the mark-holder (in this case the Complainant) of a requisite level of distinctiveness or “secondary meaning”. This is an onerous burden. [See e.g. CIRA Case 106, *Cohen v. 3824152 Canada* [canadavisa.ca].]

19. In this case, the Complainant has offered sufficient indirect evidence that the mark has become well-known, and thus has acquired the necessary level of secondary meaning to merit protection under Canadian trademark law. The webpage spafinder.com indicates that an institution no less esteemed than the New York Times has called the founding of Spafinder a milestone in the growth of the spa industry worldwide, and the spafinder.com website has received external awards for spa travel. In Canada, the mark has been used since 2001, and for a variety of services that go beyond locating spas. The scope of the services offered is world-wide. Internationally, the mark has been used since 2000 in the United States, with websites in Japan, the UK, France and Germany, and while this does not strictly apply to the determining the attainment of the proper degree of secondary meaning under Canadian trademark analysis, in an age of global branding it does indicate a coherent effort on the part of the Complainant to develop its marks and brands.

2) “Confusingly Similar”

20. Paragraph 3.4 of the Policy defines “confusingly similar” in the following terms:

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.

21. SPAFINDER is a registered mark that has been used in Canada and internationally. As stated, it is used in association with a wide variety of services in the health, beauty and spa resort industry.

22. The substance of the domain name, that is the part of the domain name that precedes the “dot” and TLD, and that which the practice of domain name arbitration has now established as the proper scope for inquiry, quite simply is identical to the Complainant’s registered mark. On these considerations alone, it might be difficult for a reasonable internet user to not be confused by the Registrant’s domain name. A simple comparison between the domain name and trademark may not be dispositive in this case, however.

23. As indicated above, the trademark and thus the domain name might have a descriptive aspect. While the Panel has found above that a sufficient level of secondary meaning has been acquired in the SPAFINDER trademark, the proper scope of this protection remains to be determined as it applies to domain names. Various decisions under the ICANN UDRP and CIRA Policy have noted that to the extent that a domain name is a generic word or description, simple similarity or even complete identity of the domain name and the mark may not be sufficient to determine whether or not there has been confusion, actual or likely. (See e.g. CIRA Case 50, *Thrifty, Inc. v. Supriyo Malaker* [thrifty.ca]; *Pinnacle Intellectual Property v. World Wide Exports, Case No. D2005-1211* [canadamedicineshop.com].)

24. The Panel notes in this case that the substance of the domain name “spa finder” is to a large extent a description of one of the primary services offered by the Complainant or a generic term for the service. As such, it might be possible to use a domain name identical to a trademark in a manner which is not confusing, excepting what has been called the first view of the website, or “initial interest confusion”. Thus, as in *Thrifty*, a website thrifty.ca offering a variety of frugal products or services (including car rentals) is not confusing with an identical and well-known trademark more strictly used in association with car rental services.

25. In this case, the Complainant’s website and the website to which the domain name at issue initially resolved contained services that were more or less identical: they were both “spa finders” with additional related products and services such as gift certificates, health and beauty products, travel services and such. While the Registrant’s website went under the name SpasWorldwide.com, and that domain and corporate name was repeated at various points on the website, there is still in the view of the Panel a strong likelihood, given the nature of the services on offer, that the average internet user would reasonably assume that there was some link between this site and the SPAFINDER mark. While nothing prevents the Registrant from operating a “spa finder” website, given the presence of the competitor with a well-known trademark SPAFINDER, some reasonable effort should have been made by the Registrant to dispel confusion that its “spa finder” was not the Complainant’s “spa finder”. This result coheres with the traditional parameters of trademark protection.

26. Interpreting “confusingly similar” under the Policy, the Panel finds the Registrant’s domain name < SPAFINDER.CA > to be confusingly similar to the Complainant’s mark.

H. Was the Registration of the Domain Name Made in Bad Faith?

27. In order to succeed, the Complainant must show, on the balance of probabilities, that the Registrant registered the domain name in bad faith. Paragraph 3.7 of the Policy states that the Registrant will be considered to have registered the domain name in bad faith if and only if one of the following three conditions is met:

(a) the Registrant registered the domain name . . . primarily for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant [or others related to or competing with the Complainant] for valuable consideration in excess of the Registrant's actual costs in registering the domain name . . . ;

(b) the Registrant registered the domain name . . . in order to prevent the Complainant [or others related to the Complainant] 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 . . . 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.

28. It is now trite to say that a panel should take into account all surrounding circumstances and draw common sense inferences when delving into the matter of bad faith, given that it is virtually impossible to conclusively show actual bad faith. Nevertheless, a panel should proceed responsibly and not relieve a Complainant of the obligation to show bad faith.

29. On the facts and evidence adduced in this dispute paragraph only 3.7 (c) appears to be applicable.

30. The Complainant has provided sufficient evidence in its arguments to show that the Registrant registered the domain name in order to divert internet traffic to its website offering competing services. Previous CIRA decisions (and common sense) make it obvious that such behaviour likely fulfils the criterion of "primarily for the purpose of disrupting the business of the Complainant" by allowing for an inference to be reasonably drawn, absent other factors, that the redirection of internet clientele was done for the purposes of disruption.

31. While the Complainant was not as clear on this point as it might have been, the Panel also accepts the (rebuttable) assertion that the Registrant likely registered the domain name incorporating the SPAFINDER mark in order to create confusion in the mind of the consumer. Two caveats are in order however. First, as implied above in the sections on "rights in the mark" and "confusingly similar", in the case of a descriptive or generic name of the primary service of the website, the use of the trademark in and of itself does not constitute bad faith. When a trademark, even a very well-known mark, contains generic elements there may not be the same scope of protection in the mark or indeed the same degree of "exclusivity" in its extension to domain names as there might be with more intrinsically fanciful or original marks. Nor does offering a competing service constitute a violation under the CIRA Policy, as our society values competition. Rather, it is in the fact that no care was taken on the Registrant's website to distinguish its "spa finder" from the Complainant's "spa finder" that leads to the initial conclusion that "spafinder" was chosen to disrupt traffic to the Complainant's website.

32. Second, in a related point, the simple registration of a domain name that incorporates a registered trademark does not in and of itself constitute bad faith. The Panel does not accept the Complainant's assertion that a Registrant must conduct a trademark search as evidence of good faith: while prudent, the CIRA Policy does not require such an actual search. A lack of prudence, even a mistake, does not constitute bad faith.

33. The Panel also notes that the failure of the Registrant to respond to the Complainant's initial letters might be indicative of bad faith.

34. The foregoing is sufficient to ground a finding of bad faith on the part of the Registrant on the balance of probabilities. While the Registrant might have offered evidence to rebut the arguments of the Complainant, it did not do so, and as such the Panel accepts a number of contentions advanced by the Complainant.

35. The Panel therefore concludes that the Registrant did in fact register the domain name < SPAFINDER.CA > in bad faith under paragraph 3.7 (c) of the Policy.

I. Does the Registrant Have a "Legitimate Interest" In the Domain Name?

36. The final element of the test set out in the Policy is to determine whether or not the Registrant has a legitimate interest in the domain name. Paragraph 3.6 of the Policy states:

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.

37. This definition is restrictive – only the interests listed in subparagraphs (a) through (f) below can be considered legitimate interests. These all point to some legitimate activity and objective link in assessing the relationship between the domain name and the Registrant. In terms of procedure the Complainant 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.

38. The Panel notes at the outset that it is unclear that the Complainant's counsel has clearly and completely understood the nature of this criterion, as most of the argument in this section emphasizes the alleged bad faith of the Registrant. The focus for this provision is rather on finding some objective link – as articulated in the criteria – between the Registrant and the domain name. Thus, the focus is not directly on the good or bad faith of the Registrant, although the question of good faith enters into the consideration of subparagraphs (a) through (d).

39. That being said, the Complainant has provided some evidence of the following:

1. The Registrant has no legal right to use the SPAFINDER mark, and thus is not saved by subparagraphs 3.6(a);
2. In the section on Bad Faith, it was asserted and indirectly supported with a reproduction of the Registrant's initial website, that the Registrant has not made a legitimate non-commercial use or fair use of the website, and thus is not saved by subparagraph 3.6(d);
3. The Registrant does not use the name "Spafinder" as a business name, and is in no other way associated with the name, and thus is not saved by subparagraph 3.6(e); and
4. Also from the Registrant's website, it is clear that "Spafinder" does not refer to a geographical name, and thus is not saved by subparagraph 3.6(f).

40. This leaves the two criteria identified in subparagraphs 3.6 (b) and (c): the domain name described the goods and services provided on the website, or was a generic name for the good and services provided on the website. The Complainant has omitted to give argument on this point, but given what the Panel has said above in the section on Confusingly Similar there is an obvious common sense argument that the domain name "spafinder" does in fact describe or indeed is the generic name of at least one of the primary services that had been offered on the Registrant's website (as well as that of the Complainant). This was legitimate business activity, part of which the term "spafinder" concisely describes.

41. This alone does not resolve the issue, as subparagraphs 3.6(b) and (c) also incorporate an element of good faith in these criteria: thus the use of the descriptor or generic term had to have been done in good faith. On this point the Complainant has provided, in this

section and in section containing the argument on Bad Faith, some evidence that the choice of the term “spafinder” was likely made with knowledge of the Complainant’s mark and in an effort to divert traffic. This lack of good faith on the part of the Registrant is supported most clearly, as noted above, by the failure to distinguish its “spafinder” from the Complainant’s “spafinder” at any point. As such, the Panel concludes that the Registrant is not saved merely by a descriptive or generic aspect to the term “spafinder”, in the absence of evidence of its own good faith.

42. Hence, the Panel is inclined to accept the evidence of the Complainant in this particular context. The Complainant has met its initial burden of showing that the Registrant was not in good faith with respect to its use of the potentially descriptive or generic term “spafinder”.

43. The Panel therefore concludes that the Complainant has shown some evidence that the Registrant did not have a legitimate interest in the domain name < SPAFINDER.CA > and has met the initial burden under paragraph 3.6 of the Policy. While this evidence might not have been sufficient to bear the burden required under the first two prongs on the CIRA test, the Panel interprets “some evidence” as being a lower burden for the question of “(no) legitimate interest”.

44. Under the Policy, the burden now shifts to the Registrant to show that it has a legitimate interest in the domain name as defined under the Policy. Here, the Registrant has chosen not to reply, and thus the assertions of the Complainant are accepted by the Panel.

45. The Panel thus concludes that the Registrant did not have a legitimate interest in the domain name < SPAFINDER.CA > under paragraph 3.6 of the Policy.

J. Conclusion and Decision

46. The Complainant has established on the balance of probabilities that the Registrant’s domain name < SPAFINDER.CA > is confusingly similar to the Complainant’s mark.

47. The Complainant has established on the balance of probabilities that the Registrant had registered the domain name < SPAFINDER.CA > in bad faith, as defined in the Policy.

48. The Complainant has provided some evidence that the Registrant has no legitimate interest, as defined in the Policy, in the domain name < SPAFINDER.CA>. The Registrant has chosen not to question this evidence in the proceeding. The Panel thus accepts the assertions of the Complainant as having been established.

49. For these reasons, the Complaint regarding the domain name < SPAFINDER.CA > is successful.

K. Remedy

50. The Complainant has asked that the domain name at issue be transferred to it. The Panel hereby so orders.

Dated 18 August 2008,

David Lametti (Sole Panelist)

David Lametti
18 August 2008