

CANADIAN INTERNET REGISTRATION AUTHORITY
DOMAIN NAME DISPUTE RESOLUTION POLICY COMPLAINT

Dispute Number: EMU-091608-001060

Domain name: "*emusic.ca*"

Complainant: EMusic.com Inc.

Registrant: Mogul Arts Inc.

Registrar: DomainsAtCost Corp.

Panellists: Hugues G. Richard as Chair of the Panel, Sharon Groom and David Lametti as Members

Service Provider: Resolution Canada Inc.

DECISION

The Parties

The Complainant is "EMusic.com Inc.", having a place of business at 535 Fifth Avenue, 3rd Floor, New York, New York, 10017, USA

The Registrant is "Mogul Arts Inc", having a place of business 43 Auriga Drive, Suite 5172553, Ottawa, Ontario, Canada, K2E 7Y8

The Domain Name and Registrar

The domain name that is the subject of this proceeding is "*emusic.ca*" (the "Domain Name")

The Registrar of the Domain Name is DomainsAtCost Corp., 26 Auriga Drive, Ottawa, Ontario, K2E 8B7

Factual Background

The Complainant is EMusic.com Inc., a company based in New York, New York, USA, owner of the EMUSIC trade-mark and of the domain name "*emusic.com*". EMusic.com, Inc. is one of the most important online music stores that operate by subscription. The "*emusic.com*" website was originally launched in 1995 by the Complainant's predecessor in title. It was acquired by the Complainant in 1998. The Complainant company was renamed EMusic.com Inc in 1999. Panel is aware that "*emusic.com*" is the address of a well-known website where users can download more than 4,500,000 tracks of music.

According to the CIRA WHOIS Report, the Domain Name was registered on January 17, 2001, in the name of "Mogul Arts Inc.", a company based in Ottawa, Ontario, Canada, Registrant of the "*emusic.ca*" domain name (the "Domain Name"). However, the

Registrant's response was filed by Mr James Cogan, who describes himself as administrative contact for the Domain Name. Mr Cogan received a Master Business License for his business "Emusic.ca Holdings", taking effect on April 4, 2000, that expired on April 3, 2005. Nevertheless, the Panel shall only take the CIRA WHOIS Report into account, and shall consider the Registrant to be "Mogul Arts Inc."

In its Response (Schedule H), the Registrant refers the Panel to <http://web.archive.org/web/20010303080114/http://emusic.ca/> concerning its website located at www.emusic.ca. A search on the Archive.org Wayback Machine web pages shows that the Registrant's website was created on March 3, 2001. At the time, the page seemed void. The Complainant, in its schedule H, provides other "*emusic.ca*" web pages printed from <http://www.archive.org/web/web.php>. The October 1, 2002 page is inactive and contains the inscription "Coming soon" and the mention of the Registrar "reggie.ca" (<http://web.archive.org/web/20021001091435/www.reggie.ca/park/>). The November 12th, 2003 page is active and displays content (<http://web.archive.org/web/20031121125058/emusic.ca/landing.php?i=85460>), while the July 11, 2007 page is void and announces that the domain is parked with "dreamhost", and the "site is coming soon". It seems that the website was hosted by other websites during certain periods. In 2008, however, the website exists and has content.

In a telephone call on May 22, 2008, the Complainant's counsel asked the Registrant if it was willing to sell the Domain Name for \$500. The offer was declined.

Procedural History

In accordance with CIRA Domain Name Dispute Resolution Policy, a Complaint was filed with Resolution Canada Inc. by EMusic.com Inc on September 17, 2008 concerning the CIRA Domain Name registration for "*emusic.ca*". Resolution Canada Inc. finding the Complaint to be in order transmitted the Complaint to the Registrant. The Registrant requested a stay of the proceedings that was denied. He later requested a 10-days extension under exceptional circumstances. A 2-day extension was granted to the Registrant to file his Response that was due on October 9, 2008. The Response was submitted to Resolution Canada Inc prior to the deadline.

Relief requested

The Complainant requests that the Panel order that the Domain Name registration be transferred from the Registrant to the Complainant.

Parties Contentions

The Complainant contends as follows:

- (a) The Complainant is the owner of the EMUSIC trade-mark, as defined in paragraph 3.2 (a) of the Policy, as it is a trade-mark that has been used in Canada by the Complainant for the purpose of distinguishing the wares,

services and business of the Complainant. The Complainant is also a “Mark” owner as defined in paragraph 3.2 (c) of the Policy, as EMUSIC is registered in CIPO as a trade-mark under registration No. TMA639483. The Registrant’s Domain Name is confusingly similar to the Complainant’s trade-mark, which is identical except for the .ca suffix. The addition of the dot-ca country code does not serve to distinguish the Domain Name from the Complainant’s trade-mark.

- (b) The Registrant has no legitimate interest in the Domain Name, since it is not a licensee of the Complainant, nor is it otherwise authorized to use the EMUSIC trade-mark. The Registrant’s website was not an active website in 2001 and 2002 and at some point was hosted by another website operated by Trafficz, a domain parking service. The Complainant submits that there is no evidence that, prior to the Complainant contacting the Registrant on May 22, 2008, the Registrant had ever used the Domain Name as a trade-mark or that the Registrant had any rights in the Domain Name as a trade-mark. Moreover, the Registrant, who describes itself as an “Ecommerce News Source”, merely displays a series of links to third parties and does not display any wares for sale or services. The Complainant further submits that the contents of the Registrant’s website were posted after the Complainant contacted the Registrant, solely as a reaction to the Complaint.
- (c) The Registrant registered or acquired the Domain Name in bad faith, since the Registrant registered the Domain Name solely for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant for valuable consideration (paragraph 3.7 (a) of the Policy) or for disrupting the business of the Complainant (paragraph 3.7 (c) of the Policy). The Registrant had held the Registration for seven years but had never used the Domain Name in association with any wares, services or business. Given the nature of browsing and searching on the Internet, the Registrant could not have ignored the business of the Complainant. Moreover, the Registrant’s current website displays a series of links to third parties, none of which being related to music or music-related wares, services or business. The bad faith of the Registrant is established on the premises that he has registered a well-known trade-mark of the Complainant, and the intent to disrupt the business of the Complainant can be inferred on that ground. The Registrant attempts to misleadingly divert consumers by using Complainant’s trade-mark and trade name.

The Respondent contends as follows:

- (a) The Registrant contends that the Complainant’s trade-mark was registered in Canada on May 10, 2005, more than 5 years after the date of Registration of the Domain Name by the Registrant. According to the Registrant, the Domain Name was registered on November 13, 1999,

which is not the date appearing on the CIRA WHOIS Report, and as of that date, the Complainant did not have Common Law rights in the EMUSIC trade-mark in Canada. According to Complainant's press releases, EMUSIC was launched in Canada in 2008.

The Registrant does not attempt to discuss the question of the likelihood of confusion between the Complainant's trade-mark and the Registrant's Domain Name. One can infer that the Registrant does not dispute the fact that the trade-mark and the Domain Name are confusingly similar.

- (b) The "*emusic.ca*" Domain Name has been used throughout its eight years history. During certain periods of time (2000 to 2003, in 2005), the Domain Name was hosted by other websites, and it explains why some pages are void on the Wayback Machine website. Some data from the "*emusic.ca*" website was transferred to "trafficz" website. A new version was launched on May 3rd, 2008.
- (c) The "*emusic.ca*" Domain Name was registered in 1999 as a generic expression, as well as other domain names like "*eticket.ca*" or "*video.ca*", at the beginning of the Internet era. At no time prior to, or during the registration process for "*emusic.ca*" did the Registrant have any knowledge of the Complainant's existence. The Complainant began introducing their services in Canada in 2008, after the registration of the Domain Name. There were no contacts between Complainant and Registrant prior to May 2008, demonstrating that the Registrant never intended to sell, license or rent the Domain Name to the Complainant.

Findings

Under paragraph 4.1 of the Policy, the burden is on the Complainant to prove, on a balance of probabilities, that:

1. the Registrant's "dot-ca" Domain Name is confusingly similar to a Mark in which the Complainant had Rights prior to the Registration of the Domain Name and continues to have such Rights;
2. the Registrant has no legitimate interest in the Domain Name.

Furthermore, the Complainant has to provide some evidence that the Registrant has registered the Domain Name in bad faith.

To be successful, the Complainant has to win with respect to all three elements.

Discussion

1. Prior Rights and likelihood of Confusion.

Did the Complainant have Rights in a Mark prior to the Registration of the Domain Name?

The CIRA Policies are clear on that matter: the Complainant must prove that it had Rights (as described in Policy 3.3) on a Mark (as described in Policy 3.2) prior to the Registration of the Domain Name by Registrant (January 17, 2001).

“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).*

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.*

The Registrant disputes the stated approval date of the Domain Name of January 17, 2001 and claims that the appropriate date is November 13, 1999. According to Policy 3.1.(a), the Panel is supposed to go by the registration date. The CIRA WHOIS Report confirms that January 17, 2001 is the approval date. Thus, the majority of the Panel decides that this approval date is to be considered as the date of registration of the Domain Name.

The Complainant’s trade-mark was filed on September 29, 1999 and registered on May 10, 2005. Thus, the majority of the Panel observes that the Complainant’s CIPO Registration was granted after the Domain Name registration. Since the Complainant did not have rights in a trade-mark under paragraph 3.2, c) of the Policy at the time of

registration, the Complainant must prove a prior use of the trade-mark under paragraph 3.2, a).

The “*emusic.com*” website has been used by the Complainant in connection with its wares and services related to music since 1998. Complainant has carried on business under that name, or the trade-mark EMUSIC prior to the Domain Name registration. Thus, the majority of the Panel agrees that a trade-mark or a trade name has been used by Complainant prior to the Domain Name “*emusic.ca*” registration, as described in Policy 3.2 (a). The “*emusic.com*” website was easily reachable from Canada. The Complainant provides a series of articles from Canadian publications discussing the site in 1999. The American site “*emusic.com*” is a global site, and a Canadian user could access it before January 17, 2001.

Is the Complainant’s trade-mark confusingly similar to the Domain Name?

As for the likelihood of confusion between the Complainant’s trade-mark and the Domain Name, one can consider that there is indeed a small difference between the Complainant’s trade-mark EMUSIC and the Registrant’s “*emusic.ca*”. The Registrant does not dispute the fact that there is a likelihood of confusion in its Response. According to the decision *Credit Counselling Society of British Columbia v. Solutions Credit Counselling Services, Inc*, CIRA Dispute No. 00031, “The addition of the dot-ca country code does not serve to distinguish the Domain Name from the Complainant’s Mark. The fact that the Domain Name contains the Mark in identical terms makes the Domain Name confusingly similar to the Mark”. Policy 1.2 states that the dot-ca addition must be ignored.

Thus, the majority of the Panel decides that there is indeed a likelihood of confusion between the Registrant’s Domain Name and the Complainant’s trade-mark. The names are identical. Therefore, the majority of the Panel finds in favour of the Complainant as far as the first element is concerned.

2. Legitimate Interest

Does the Registrant have a legitimate interest in the Domain Name?

The Complainant must prove that the Registrant has no legitimate interest in the Domain Name. The possible elements of legitimate interest are listed in paragraph 3.6. of the Policy. After the Complainant has alleged the lack of legitimate interest, it is up to the Registrant to establish that he meets at least one of the six categories of paragraph 3.6.

- (a) the Registrant filed a trade-mark application for the registration of “*emusic.ca*” at CIPO on April 17, 2001. The trade-mark registration was abandoned on March 11, 2003. Thus, Registrant does not have Rights on the trade-mark under paragraph 3.2 c). The Registrant also produced in Schedule B a Master Business License, in the name of “EMusic.ca Holdings”, a sole proprietorship owned by James Cogan. However, that license expired on April

- 3, 2005, and the “*emusic.ca*” Domain Name is not used by Mogul Arts Inc, as a trade-mark. There is no evidence that the “*emusic.ca*” name was used by the Registrant as a way of distinguishing its wares, services or business. Therefore, the Registrant did not have a trade-mark in the name “*emusic.ca*”.
- (b) the Domain Name “*emusic.ca*” does not describe the character or quality of any wares, services or business of the Registrant, neither in English nor in French, since the music-related wares or services are inexistent on the “*emusic.ca*” website (i). The Domain Name describes neither the conditions of, nor the persons employed in, production of the wares, performance of the services or operation of the business (ii), nor the place of origin of the wares, services or business (iii). All entries on the Registrant’s website relate to ecommerce.
 - (c) to the best of the knowledge of the Panel, the Domain Name “*emusic.ca*” has no generic meaning related to ecommerce in any language.
 - (d) since the Registrant’s website generates revenues via link-based advertising (according to Registrant’s Response), one can infer that the Domain Name is used in connection with a commercial activity. Therefore, the Registrant does not use the Domain Name in association with a non commercial legitimate activity.
 - (e) the Domain Name is no longer the legal name of the Registrant since the Master Business License expired on April 3, 2005.
 - (f) the Domain Name is not the geographical name of the location of the Registrant’s place of business.

The Panel concludes that the Registrant has no legitimate interest in the Domain Name. Therefore, the Panel finds in favour of the Complainant as far as the second element is concerned.

3. Bad faith

Did the Complainant act in bad faith when he registered the Domain Name?

To demonstrate the Registrant’s bad faith, the Complainant must provide some evidence that the Registrant enters at least one of the three categories described at paragraph 3.7. As for the bad faith, the rules are narrow in scope. Complainant must establish that:

- (a) - the Registrant registered or acquired the Domain Name for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant, or to the Complainant’s licensor or licensee, or to a competitor of the Complainant for valuable consideration in excess of the Registrant’s actual costs in registering the Domain Name;
- (b) – the Registrant acquired the Registration in order to prevent persons who have Rights in “Marks” from registering the “Marks” as domain names;
- (c) – the Registrant acquired the Registration primarily for the purpose of disrupting the business of the Complainant

(a). The Complainant submits that one can infer that the Registrant had a purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant for valuable consideration. However, the Registrant refused to sell his website to the Complainant for \$500, and replied that his domain name is not for sale. The exploitation of the Domain Name in connection with the Registrant's website indicates that he wishes to use it. Therefore, the Panel does not think that the Domain Name was registered for the purpose of transferring it to the Complainant for valuable consideration.

(b) Complainant did not assert 3.7 b), which would not apply since there is no evidence that the Registrant acquired the Domain Name primarily for the purpose of preventing persons who had Rights in trade-marks from registering the trade-marks. At the time of Registration, the Complainant was not as well known as it is today, and Registrant could legitimately have ignored its existence. One can surmise that the Registrant did not register the Domain Name in order to attempt to someone's prior rights.

(c) The Complainant failed to establish that the Registrant had the intention of disrupting the Complainant's business. At the time of registration, the EMUSIC trade-mark was not registered and this generic expression belonged to anyone. Under a balance of probabilities, the Registrant could have ignored the existence of the Complainant. Moreover, the Registrant is not a "competitor" of the Complainant, in the light of paragraph 3.7, c).

Thus, the Panel decides that the Complainant did not establish that the Registrant acquired the Domain Name in bad faith. Therefore, the Panel finds in favour of the Registrant as far as element three is concerned.

Decision

The Complainant has failed to provide some evidence that the Registrant's Domain Name "*emusic.ca*" was registered in bad faith within the meaning of paragraph 3.7 of the Policy. Accordingly, the Complainant has not established at least one of the required elements set forth in Policy. For that reason, the Panel dismisses the Complaint.

As for the Complainant's bad faith, the Registrant did not prove 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 the Registration, according to paragraph 4.6. of the Policy. The Panel does not believe, on a balance of probabilities, that the Complaint was commenced for that purpose.

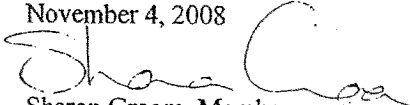
Concurring Reasons of Panelist David Lametti

I agree with the disposition of the case, and the Panel's specific findings on (no) legitimate interest on the part of the Registrant, and on the Registrant's lack of bad faith.

I wish to register a caveat regarding the analysis on "confusingly similar". While the Policy does technically require the Panel to look at the registration date under the CIRA regime, I am of the view that the spirit underlying the CIRA Policy does require a Panel to take into account a first .ca registration under the less-formal University of British Columbia regime that was the predecessor to CIRA, where such a registration exists. Indeed, many of these UBC registrations were then re-registered with CIRA, and were given an initial priority in the regime shift. In my estimation, these registrations should be taken into account in Policy arbitration at least insofar as determining the appropriate date for the purposes of deciding if the registered domain name was confusingly similar to an existing mark in which a Complainant is claiming rights, as well as for the purposes of assessing the registrant's good faith.

Had this approach been taken in this case, it is not all that clear to me that the Complainant would have established rights in the mark in Canada that were sufficient to characterize the registered domain name as confusingly similar. However, as the Panel has applied technically the later registration date as required by the Policy, it is thus more likely on balance that the domain name was by that point confusingly similar to a mark and .com website now more well-known in Canada.


November 4, 2008



Sharon Groom, Member



David Lametti, Member



Hugues G. Richard, Chair