CANADIAN INTERNET REGISTRATION AUTHORITY

DOMAIN NAME DISPUTE RESOLUTION POLICY

Dispute Number: DCA-1123-CIRA **Domain name:** extremefitness.ca **Complainant:** Extreme Fitness, Inc.

Registrant: Gautam Relan

Registrar: 10Dollar Domain Names Inc. ("10dollar.ca")

Panellists: Hugues G. Richard, Bradley Freedman, 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"), version 1.2 and the CIRA Domain Name Dispute Resolution Rules, version 1.3 (the "Rules").
- 3. The CIRA Registration Agreement governing dot-ca domain names requires, by virtue of Section 3.1 (a)(iv), that the Registrant comply with the Policy throughout the terms of the registration agreement. Paragraph 3.1 of the Policy requires that the Registrant submit to this dispute resolution proceeding.
- 4. The British Columbia International Commercial Arbitration Centre (the "BCICAC") is a recognized service provider pursuant to the Policy.

THE PARTIES

- 5. The Complainant is Extreme Fitness, Inc., having a place of business at 3300, 421-7 Avenue S.W., Calgary, Alberta, Canada, T2P 4K9.
- 6. The Registrant is Gautam Relan, residing in Ontario, Canada.

THE DOMAIN NAME AND REGISTRAR

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

8. The Registrar of the Domain Name is 10dollar.ca having a place of business at 5863 Leslie St. Suite 307, Toronto, Ontario, Canada, M2H 1J8.

PROCEDURAL HISTORY

- 9. In accordance with the Policy, a Complaint concerning the Domain Name was filed with the BCICAC by Extreme Fitness Inc. on October 15, 2008.
- 10. The BCICAC finding the Complaint to be in order transmitted the Complaint to the Registrant on October 16, 2008.
- 11. Delivery of a hard-copy of the Complaint to the Registrant was delayed due to an incorrect address. Proof of delivery to the correct address is provided.
- 12. The Registrant requested an extension for delivery of his Response to November 17, 2008, and an extension was granted by the BCICAC as permitted under Rule 5.4.
- 13. The Registrant delivered his Response, in compliance with the Policy and Rules, to the BCICAC on November 18, 2008.
- 14. The Registrant's Response was reviewed by the BCICAC and delivered to the Complainant on November 26, 2008.
- 15. The Complaint and the Response were filed in English.
- 16. The BCICAC named Bradley Freedman and Stefan Martin as panellists. Hugues G. Richard was named as Chair of the Panel.
- 17. The Registrant attempted to submit additional submissions for his Response on December 10, 2008. Those additional submissions were not considered by the Panel as they may only be considered in the circumstances described in Section 11.1 of the Rules reading as follows: "In addition to the Complaint and the Response, the Panel may request, in its sole discretion, further evidence or argument from either of the Parties. Unless the Panel makes such a request, neither Party shall have the right to submit additional evidence or argument except that if the Response contains a claim for costs", in which case the Complainant will be allowed to respond.

Furthermore, Registrant sent his additional submissions directly to the members of the Panel, a practice strictly forbidden by the Rules Section 2.3 reading as follows: "No Party or anyone acting on its behalf may have any <u>unilateral communication</u> concerning the Proceeding with any Panellist. All communications between a Party and the Panel will be sent at the same time to the other Party and the Provider. Every communication to the Provider or the Panel shall be sent by the means and in the manner, including the number of copies, provided in the Resolution Rules or as posted on the Provider's website and under cover of the relevant form of the Provider as posted on the Provider's website." Moreover, a failure to comply with the Rules by a party allows the Panel to draw inferences therefrom as it considers appropriate.

The Registrant's additional submissions were not requested by the Panel. The additional submissions were not sent at the same time to the other Party and the Provider.

FACTUAL BACKGROUND AND PARTIES CONTENTIONS

The Complainant

- 18. The Complainant is a fitness club operator in the greater Toronto area with over 76,000 members and 13 locations.
- 19. The Complainant is the owner of the Canadian trademark registration EXTREME FITNESS Design, the unregistered Canadian trademark EXTREME FITNESS and the trade name EXTREME FITNESS.
- 20. The application for registration of the trademark EXTREME FITNESS was filed by the Complainant to the Canadian Registrar of Trademarks on May 18, 2004, and the trademark was registered on November 21, 2005.
- 21. The Complainant has been using the trademark EXTREME FITNESS since 1999. The Complainant boasts of revenues of \$45M in connection with the trademark EXTREME FITNESS for the years 2004 and 2005. The Complainant alleges promotional spending \$3M for the same period.
- 22. The Complainant operates a Web site, *extremefitness.info*, showing its trademark EXTREME FITNESS.
- 23. On January 2, 2005, without permission of the Complainant, the Registrant registered the Domain Name with the Registrar 10dollar.ca for presumably \$10.
- 24. At the time he registered the Domain Name, the Registrant was a member of the Complainant's "Extreme Fitness" fitness club.
- 25. The Complainant alleges that the Registrant used the Domain Name to redirect Internet users to a site named "Rippoffreport.com", a protest site allowing consumers to document their complaints about a company or an individual, the "printout" of this site dates to 29 August 2008.
- 26. The Complainant sent a *cease and desist* letter to the Registrant on August 29, 2008 requesting the transfer of the Domain Name.
- 27. The Complainant alleges that the Registrant did not respond to the letter of the Complainant, but proceeded to redirect the Domain Name to the *Ontario's Ministry of Small Business and Consumer Services* Web site.
- 28. Legal Counsel for the Complainant contacted the Registrant, offering him to pay the costs of registering the Domain Name in exchange for its transfer to his client. The Registrant refused to comply, indicating that the Domain Name was worth much more than that and that he would call back with a new offer;
- 29. The Complainant alleges that the Registrant did not try to contact legal counsel again but tried to contact the Complainant's Vice President of Operations to negotiate, presumably, the sale of the Domain Name.
- 30. The Complainant offered \$1000 to the Registrant to end the dispute. The Registrant, stating that the amount was insufficient, promised to make a new offer but never called back.

The Registrant

- 31. The Registrant claims he obtained the Domain Name in good faith and with no prior knowledge of any registered trademark.
- 32. The Registrant denies obtaining the Domain Name in order to disrupt, confuse or otherwise infringe the rights of the Complainant.
- 33. The Registrant claims that he did not contact the Complainant to discuss the sale of the Domain Name, and that no discussion took place as to a possible purchase price for the Domain Name.
- 34. The Registrant claims he did not contact the Extreme Fitness company nor did he have their contact information.
- 35. The Registrant claims that he uses the Domain Name for emails.
- 36. The Registrant claims to have registered the Domain Name in view of his participation in extreme sports games, seeking ways to improve his performance and lifestyle with the help of a blog and a forum. He claims that since the company hosting his site went bankrupt, he cannot provide proof of his allegations. He claims to use the Domain Name for e-mails at present.
- 37. The Registrant attempts to draw an unjustified distinction between the Complainant (a company incorporated in Alberta) and the EXTREME FITNESS business that the Complainant owns and operates in Ontario.
- 38. The Registrant made various objections to the form of the Complaint and the information contained in the Complaint, which in the Panel's view have no merit.

RELIEF REQUESTED

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

DISCUSSION AND FINDINGS

APPLICABLE LAW

40. Pursuant to Section 12.1 of the Rules, the Panel shall apply the laws of Ontario.

OVERVIEW OF THE POLICY

- 41. Under paragraph 4.1 of the CIRA Policy, the burden is on the Complainant to 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;

- (b) The Registrant has no legitimate interest in the Domain Name as described in paragraph 3.6 of the Policy; and
- (c) The Registrant has registered the Domain Name in bad faith as described in paragraph 3.7 of the Policy.

CONFUSING SIMILARITY BETWEEN THE DOMAIN NAME AND THE COMPLAINANT'S MARK

- 42. The Complainant submits that the Domain Name is "confusingly similar" to its trademark EXTREME FITNESS in which the Complainant had common law rights prior to the date of registration of the Domain Name and continues to have such Rights.
- 43. Section 3.2 of the Policy defines a Mark as follows:

"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 [...]:

[...]

- (c) a trade-mark, including the word elements of a design mark, that is registered in CIPO;
 [...]
- 44. Section 3.3 of the Policy defines rights in a mark as follows:

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

- (a) in the case of paragraphs 3.2 (a) and 3.2(b), the Mark <u>has</u> <u>been used in Canada by that person</u>, 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 [...]"
- 45. Section 3.5 of the Policy defines use as follows:

"A Mark is deemed to be in "use" or "used" in association with:

[...]

- (b) services, if the Mark is used or displayed in the performance or advertising of those services;
- (c) a business, if the Mark is displayed in the operating, advertising or promoting of the business;

[...]"

46. Section 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."

47. Section 1.2 of the Policy 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".

- 48. Section 9.1(d) of the Rules states that the Panel shall "determine the admissibility, relevance, materiality and weight of the evidence".
- 49. The Panel finds that the Complainant has provided sufficient evidence to prove, on a balance of probabilities, that it had common law rights in the trademark EXTREME FITNESS prior to January 2005, when the Registrant registered the Domain Name. In particular, the Panel notes as follows:
 - a. The Complainant provided the Panel with numerous magazine articles featuring its company, identified by the Extreme Fitness trademark, dating back to the year 2001.
 - b. The Complainant provided various print advertisements and promotional materials from 2004 that use the EXTREME FITNESS trademark to promote the Complainant's Extreme Fitness business.
- 50. While the Registrant argues that the Complainant has not satisfied its burden to establish rights in a mark, the Registrant has not disputed any of the Complainant's factual assertions or evidence regarding the Complainant's use of the EXTREME FITNESS trademark or that the Complainant's business operated under the EXTREME FITNESS trademark or that the EXTREME FITNESS trademark as used by the Complainant is well known.
- 51. Furthermore, in its evaluation of the evidence, the Panel is convinced that there is definite likelihood of confusion between the Complainant's Mark and the Domain Name, as they are identical. The Registrant did not dispute this fact in his Response.
- 52. Thus, the Panel finds that there is a likelihood of confusion between the Registrant's Domain Name and the Complainant's Mark since they are identical. Therefore, the Panel finds in favour of the Complainant on this issue.

NO LEGITIMATE INTEREST IN THE DOMAIN NAME

- 53. The Complainant contends that the Registrant has no "legitimate interest" in the Domain Name, as this term is defined in paragraph 3.6 of the Policy, and provides some evidence in support of that contention.
- 54. The Registrant did not prove he had any legitimate interest in the Domain Name pursuant to Section 3.6 of the Policy:
 - a. The Domain Name was not a Mark in which Registrant had any rights in, the Complainant however did have rights in the Mark.
 - b. The Domain Name was not used by the Registrant in association with wares, services or business of which the Domain Name was clearly descriptive of (i) their character or quality, (ii) their conditions or of the persons employed in or of the production of the wares or the performance of the services or operation of the business; or (iii) the place of origin of the wares, services or business;
 - c. The Domain Name was not a generic name for the wares, services or business used in association thereof.
 - d. The Domain Name was not used in Canada in good faith in association with a non-commercial activity of the Registrant or the geographical name of the location of such non-commercial activity, or that such name comprised the legal name of the registrant or a name with which the registrant is commonly identified.
 - 55. The Registrant submitted no evidence that any of the conditions in Section 3.6 of the Policy were met with respect to his use of the Domain Name. The Registrant has provided no explanation for his use of the Domain Name to redirect users to consumer complaint websites.
 - 56. Thus, the Panel finds that the Registrant had no legitimate interest in the Domain Name.

REGISTRATION IN BAD FAITH

57. Section 3.7 states:

"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;

[...]

- (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.
- 58. The Registrant failed in his Response to address the evidence and arguments in the Complaint or to provide reference and bases to maintain the Domain Name Registration in his name.

Policy section 3.7(a)

- 59. The Registrant has not denied being a member of the Complainant's fitness club, being aware of the Complainant's EXTREME FITNESS trademark when he registered the Domain Name, or knowing that the Domain Name would directly conflict with the Complainant's EXTREME FITNESS trademark.
- 60. The Registrant has not provided a credible explanation for his registration and use of the Domain Name, or any evidence as to his legitimate interest in the Domain Name. The Registrant's lack of a legitimate interest in the Domain Name supports a finding that he registered the Domain Name in bad faith pursuant to Section 3.7(a).
- 61. The Registrant has not provided any evidence to support his assertions that the he used the Domain Name for a blog or forum regarding fitness, or a credible explanation for his inability to provide that information.
- 62. The Registrant has not provided any evidence that he is regularly using the Domain Name for his email account.
- 63. The Registrant provided no explanation for his use of the Domain Name to redirect users to consumer complaint websites.
- 64. The Registrant argues that the Panel is not authorized to determine what is a fair price for a domain name as other considerations, such as moving the website to a new domain and server and advising users of the change must be taken into account. However, there is no evidence that those or any other similar considerations are applicable in this case. Further, under Policy section 3.7(a) the issue is not whether the purchase price is fair rather it is whether the Registrant's primary purpose for registering the Domain Name was to sell it at a profit to the Complainant.
- 65. Although the Registrant denies any interest in selling the Domain Name to the Complainant, in the circumstances the Panel concludes that the Registrant registered the Domain Name and patiently waited for the Complainant to initiate discussions regarding the sale of the domain name, and that this was the Registrant's primary purpose for registering the domain name.

Policy section 3.7(c)

- 66. In addition to a finding of bad faith pursuant to Policy section 3.7(a), and in accordance with the *Amazon.ca* decision (CIRA decision no 00018), the majority of the Panel is convinced that the fact that the Registrant redirected the Domain Name to a site named "ripoffreport.ca", a site whose main purpose is to document complaints by consumers, makes the Registrant a "competitor" competing for the internet traffic with the Complainant. The majority of the Panel finds that it is enough to qualify his actions as being made in bad faith and primarily done for the purpose of disrupting the business of the Complainant, pursuant to Section 3.7(c) of the Policy.
- 67. Panellist Bradley Freedman disagrees with the decision of the majority of the Panel regarding the application of section 3.7(c) of the Policy. In his view, section 3.7(c) is not applicable because the Complainant and the Registrant are not competitors. In Panellist Freedman's view, for the reasons set forth in the decisions in *Trans Union LLC v. 1491070 Ontario Inc.* (2003, CIRA Decision 8) and *Thermos Products Inc v. Fagundes* (2006, CIRA Decision 49), the word "competitor" in Policy section 3.7(c) requires economic competition, namely the direct or indirect advertising or sale of competing wares or services. Competition for the attention of Internet users, even for a consumer complaint website, is not sufficient to make the parties competitors within the meaning of section 3.7(c). Accordingly, Panellist Freedman disagrees with the majority on this issue, and finds that the Complainant has not established bad faith registration under Policy section 3.7(c).
- 68. The Panel therefore finds that the Complainant has satisfied the onus of demonstrating that the Registrant registered the Disputed Domain Names in bad faith as required by Paragraph 3.7 of the Policy.

DECISION

The Panel has decided as follows:

- (a) The Complainant is an eligible complainant.
- (b) The Domain Name is Confusingly Similar to the EXTREME FITNESS Mark, in which the Complainant had rights before the Registration of the Domain Name, and continues to have such Rights.
- (c) The Registrant has no legitimate interest in the Domain Name.
- (d) The Registrant registered the Domain Name in bad faith.
- (e) The Complainant has satisfied its onus obligations under paragraph 4.1 of the Policy.

ORDER

69. Based on these conclusions, the Panel decides these proceedings in favour of the Complainant and orders that the Registration of the Domain Name be transferred to the Complainant.

Made this 17th day of December, 2008

Hugues G. Richard

Chair