

CANADIAN INTERNET REGISTRATION AUTHORITY

DOMAIN NAME DISPUTE RESOLUTION POLICY COMPLAINT

Dispute Number:

Domain Name: libertytax.ca

Complainant: JTH Tax, Inc.

Registrant: Prem Lata Dhir

Registrar: DomainsAtCost Corp.

Panellist: Hugues G. Richard

Service Provider: Resolution Canada, Inc.

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, 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. Resolution Canada, Inc. is a recognized service provider pursuant to the Policy.

THE PARTIES

5. The Complainant is JTH Tax, Inc., having a place of business at 1716 Corporate Landing Parkway, Virginia Beach, VA, United States 23454.
6. The Registrant is Prem Lata Dhir, residing at 43 Auriga Drive, Suite 540917, Ottawa, Ontario, Canada, K2E 7Y8.

THE DOMAIN NAME AND REGISTRAR

7. The domain that is the subject of this proceeding is LIBERTYTAX.CA (the "Domain Name").

8. The Registrar of the Domain Name is DomainsAtCost Corp., having a place of business at 26 Auriga Drive, Ottawa ON K2E 7Y8 Canada

PROCEDURAL HISTORY

9. In accordance with the Policy, a complaint was filed with Resolution Canada Inc. by JTH Tax, Inc. on February 11th, 2009 concerning the Domain Name.
10. Resolution Canada, finding the Complaint to be in order, transmitted the Complaint to the Registrant on February 12th, 2009.
11. The Registrant sent an e-mail to Resolution Canada Inc. requesting an extension of time to submit his response on March 20, 2009.
12. The Registrant's request for extension was not approved.
13. The Registrant did not deliver a Response to the Complaint to Resolution Canada, Inc. within the prescribed time limit.
14. The Complaint was filed in English.
15. On April 6, 2009 Resolution Canada, Inc. named Hugues G. Richard as sole Panellist to adjudicate the dispute in connection with the Domain Name, pursuant to Section 6.5 of the Rules as there was no response from Registrant.

RELIEF REQUESTED

16. The Complainant requests that the Domain name be transferred to the Complainant.

FACTUAL BACKGROUND AND PARTIES CONTENTIONS

The Complainant

17. The Complainant satisfies the Canadian Presence requirements under Section 2(q) of the "Canadian Presence Requirements for Registrants" policy based on the following registered Canadian trade-marks:
 - (a) LIBERTY TAX, TMA1054936, registered on March 20, 2002;
 - (b) LIBERTY TAX SERVICE, TMA873643, registered on March 14, 2000;

- (c) LIBERTY TAX SERVICE and DESIGN, TMA 1054938, registered on March 20, 2002
18. The Complainant, JTH Tax, Inc., is a leading North American franchised tax preparation service company, operating separate franchised tax preparation businesses in the United States and Canada.
 19. The Complainant first began conducting its service in Canada in September 1997.
 20. The Complainant operates through a wholly owned subsidiary who benefits from a license agreement with respect to the Complainant's trademarks, which are then sublicensed, by the subsidiary, to franchisees located in all ten Provinces.
 21. The Complainant submits that the Domain Name, as registered by the Registrant, is identical to the trade-mark in which the Complainant has rights, as it was shown in Complainant's copies of the Canadian trademark register.
 22. The Complainant became aware of Registrant's Domain Name in September 2008.
 23. The litigious Domain Name was registered by the Registrant with DomainsATCost Corp. on August 9, 2004 and resolves to a generic website featuring links to assorted third party websites, mainly websites offering tax preparation services which are in competition to the services being offered by the Complainant and its franchisees.
 24. The Complainant contends that it has sole rights in the trade-mark LIBERTY TAX as registered and continues to have sole rights in said trade-mark.
 25. The Complainant submits that the Registrant of the Domain Name has no rights in the trade-mark.
 26. The Complainant alleges that the Registrant has no legitimate interest in the Domain Name or in the trade-mark registered by the Complainant.
 27. The Domain Name and its associated website were discovered by the Complainant and a CIRA WHOIS search was conducted on September 17, 2008 to determine the identity of the person who registered the Domain Name.
 28. The Complainant submitted a printout of the WHOIS search indicating that the Domain Name was registered on August 9, 2004; the name of the

person who registered the Domain Name was not found on the CIRA WHOIS registration page.

29. The Complainant sent a demand letter on September 22, 2008 to the Registrant by way of the CIRA Message Delivery System requesting that the Registrant cease use of the Domain Name.
30. The Complainant offered \$100 (USD) to cover costs with respect to the registration of the Domain Name, as shown by a copy of the letter and the CIRA Message Delivery System submitted by the Complainant.
31. The Complainant did not receive a reply to the letter sent via the CIRA Message Delivery System.
32. On October 7 and 10, 2008, the Complainant requested full Disclosure of Registrant Information to CIRA.
33. The disclosure revealed that the person who registered the Domain Name was the Registrant.
34. The Complainant sent a demand letter on October 15, 2008 to the Registrant via the e-mail address listed from the disclosure results; the Complainant submitted a copy of a bounced email message indicating that the demand letter was undeliverable.
35. The Complainant also sent a demand letter on October 15, 2008 to the Registrant via registered mail but the envelope was returned as undeliverable, as evidenced by a copy of the returned envelope submitted by the Complainant.

The Registrant

36. The Registrant requested an extension to submit a response.
37. The request for a time extension was denied and the Registrant did not submit a response to the complaint.

JURISDICTION OVER THE PARTIES

38. The Complainant is the registered owner of the trade-mark LIBERTY TAX in Canada and therefore satisfies the CIRA Canadian Presence Requirements under paragraph 1.4 of the Policy:

“The person initiating a Proceeding (the “**Complainant**”) must, at the time of submitting a complaint (the “**Complaint**”), satisfy the Canadian Presence Requirements for Registrants (the “**CPR**”) [...]

in respect of the domain name that is the subject of the Proceeding unless the Complaint relates to a trade-mark registered in the Canadian Intellectual Property Office (“**CIPO**”) and the Complainant is the owner of the trade-mark.”

EFFECT OF FAILURE OF REGISTRANT TO FILE A RESPONSE

39. Section 5.8 of the Rules provides:

“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 [...].”

40. It must be stated however, as in *Browne & Co. Ltd. V. Bluebird Industries* (CIRA Decision No 00002), that:

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

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

APPLICABLE LAW

42. The Complainant requested that the laws of Ontario apply as well as the laws of Canada applicable to the province of Ontario.

43. Pursuant to Section 12.1 of the Rules, the Panel shall apply the laws of Ontario and the laws of Canada applicable therein.

OVERVIEW OF THE POLICY

44. As per 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; 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.”

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

DISCUSSION

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

46. 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 or predecessor or a licensor of that person or predecessor from the wares, services or business of another person;
[...];

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

47. 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 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
[...].”

48. Section 3.5 of the Policy defines “use” or “used” 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; or

[...]

49. The Complainant has established that it had rights in the Mark LIBERTY TAX, as per section 3.3(b) of the Policy, prior to the Registration of the Domain Name by the Registrant since the Mark was registered with the Canadian trade-mark registry on March 20, 2002 and the Registrant registered the Domain Name on August 9, 2004.
50. The Complainant has also established that it satisfies the “use” criteria as defined by section 3.5 of the Policy; a printout of the Complainant’s franchisee web page showed the Panel that through the Complainant’s licensee, the Mark is used in the performance or advertising of Complainant’s services as well as in the operating, advertising and promoting of the Complainant’s business.
51. The Domain name registered by the Registrant is very similar if not identical to the trade-mark LIBERTY TAX registered by the Complainant.
52. 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.”
53. 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.”
54. Pursuant to *Government of Canada v. Bedford*, May 27, 2003, p.15. the test applicable is one of first impression and imperfect recollection:

“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 if 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.”

55. When applied to this case, the Panel can only come to the conclusion that there is likelihood for confusion since Domain Name and the Mark are not only similar, but that they are, in fact, identical when omitting the .ca suffix.

56. In light of this conclusion, the Panel is of the opinion that the Complainant has met its first burden of proof.

NO LEGITIMATE INTEREST IN THE DOMAIN NAME

57. The Complainant alleges that the Registrant has no legitimate interest in the Domain Name as defined in Section 3.6 of the Policy:

“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."

58. The Registrant, failing to have submitted a response, has no evidence to the effect of meeting the above mentioned conditions with respect to the legitimate use of the Domain Name.
59. The Panel is therefore limited to reviewing the evidence and arguments as submitted by the Complainant, who must provide superficial evidence that the Registrant has no legitimate interest in the Domain Name.
60. Additionally, the Panel has set forward in *Omer de Serres v, Eric Maddeaux* (CIRA Dispute 1005) that:
- " As per paragraph 3.6(a), the pointing of a disputed domain name to a customized portal or pay-per-click website with a view to reaping a commercial advantage by attempting to capitalize on consumer confusion undermines a claim of good faith and cannot be said to constitute *bona fide* use of the Domain Name. In any event, the Registrant has not used the Domain Name as a Mark as defined by the Policy, namely, "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". It follows that the Registrant cannot claim Rights in the disputed domain name.
- (ii) As the Panel finds that the Domain Name has not been used in good faith, the Registrant may not rely on the protection extended by paragraphs 3.6(b), (c) and (d) of the Policy."
61. Therefore, the operation of a webpage linking to other websites is not a *bona fide* offering of goods and services pursuant to Section 3.6(a) of the Policy.
62. Furthermore, the Domain Name LIBERTYTAX.ca is not a Mark of the Registrant, nor is it clearly descriptive in Canada in the English or French languages, of the character or quality of the wares, services, business, conditions or of 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 in accordance with Section 3.6 (a) and (b) of the Policy.

63. The Domain name is not understood to be a generic word in Canada under section 3.6 (c) of the Policy and "LIBERTYTAX.CA" does not comprise the legal name of the Registrant, nor is it a name, surname or other reference by which the Registrant is commonly identified as per section 3.6 (e).
64. As well, the Registrant did not submit any evidence to the effect that the Domain Name was used in association with a non-commercial activity under section 3.6(e) of the Policy.
65. For these reasons, the Panel finds that the Complainant has met its second burden of proof with respect to the Registrant's lack of legitimate interest in the Domain Name.

REGISTRATION IN BAD FAITH

66. The Complainant submits that the Registrant registered the Domain Name in bad faith as defined in Section 3.7 of the Policy:

"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."

67. In *Omer de Serres v. Eric Maddeaux* (CIRA Dispute 1005) it was stated that:

"Resolving a disputed domain name to a customized Internet portal...with a view to reaping a commercial advantage by attempting to capitalize on consumer confusion constitutes prima facie evidence of bad faith as per paragraph 3.7(c) of the Policy"

"In such cases, the registrant will be found to be a competitor of the complainant, as it has offered a means by which end users may access links to businesses that compete with the complainant, while also competing for Internet traffic by trying to capitalize on consumer confusion."

"Such use of a domain name is also disruptive to a complainant, as potential customers are likely to be confused into believing that a registrant's website is somehow affiliated with, or sponsored by, the complainant. As well, the mere redirection of end users to the registrant's website, and to competitors of the complainant, constitutes a disruption to the complainant."

"Resolving (a domain name) to the generic website with competitor links to the Complainant qualifies the Registrant as a competitor of the Complainant, as the website provides end users with access to links of competitors to the Complainant, and also competes for Internet traffic by attempting to capitalize on end user confusion. Further, the use of (the disputed domain name) is disruptive to the Complainant as potential customers are likely to be confused into believing that the Domain Name and website are somehow affiliated with or sponsored by the Complainant. As well, the mere potential for the misdirection of end users to the registrant's website based upon end user initial interest confusion, irrespective of the nature of the content of the registrant's website constitutes a disruption to the Complainant's business and the goodwill subsisting in the Complainant's trade mark. If an end user is confused into believing that there is some association between the Domain Name and the Complainant, but that confusion is immediately dispelled upon visiting the registrant's website, a disruption to the Complainant has nevertheless occurred."

68. In *Sleep Country Canada Inc. v. Pitfold Ventures Inc.* (CIRA Dispute 0027) the use of a domain name "in association with a web page that linked to competitors of the Complainant" constituted the Registrant a competitor of the Complainant for the purposes of paragraph 3.7(c) of the Policy.

69. In *Coca-Cola Ltd. v. Amos B. Hennan* (CIRA Dispute 0014) it was stated that:

"a Registrant's purpose in registering a disputed domain name should be determined by common sense inferences from the registrant's conduct and other surrounding circumstances."

70. In *Discovery Toys Inc. v Ebenezer Thevasagayam* (CIRA Dispute number listed on the CIRA website as 00118) it was stated:

"The Panel finds that the Registrant's intention in registering a domain name can logically be inferred from the use to which the registrant puts the domain name after registration. The Registrant used the Domain Name on a website that was dominated by links to similar wares as the Complainant, wares sold by competitors of the Complainant, and links to the Complainant's products. The disruption of the Complainant's business caused by the Registrant's website should have been obvious to the Registrant when he registered the Domain Name. Further, the use on that website of links to businesses competing with the Complainant supports the inference by the Panel that the Registrant registered the Domain Name primarily for the purpose of disrupting the business of the Complainant."

71. The Complainant puts forward that the Registrant registered Domain Name primarily for the purpose of disrupting the business of Complainant, who is a competitor of the Registrant.

72. The Complainant supports this claim by submitting a printout of two examples where links found on the Registrant's web page lead to vendors such as QUICKTAX.INTUIT.CA and HRBLOCK.CA/INCOME_TAX_PREPARATION, both direct competitors of the Complainant.

73. In the absence of a response from the Registrant, to conclude to prima facie bad faith, the Complainant needs to prove that Registrant is attempting to capitalize on consumer confusion to gain commercial advantage.

74. As it was previously cited, in cases where a registrant registers a domain name to exploit a customized internet portal and therefore leads the public to third party competitors of a complainant, the registrant will in itself be considered a competitor of the complainant.

75. As such, when Domain Name LIBERTYTAX.ca is accessed, it leads to a web site that displays links to third-party services similar to those offered by the Complainant. This use should qualify the Registrant as a competitor to the Complainant and given that use of Domain Name in such a way would more than likely mislead potential customers, the resulting misdirection, with respect to any association regarding the Complainant and the Domain Name, would be considered a disruption of business in bad faith.

76. For this reason, the Panel is of the view that the Complainant has met its burden of evidence and that the Registrant registered the Domain Name in bad faith, pursuant to Section 3.7 (a) and (c) of the Policy.

CONCLUSION AND DECISION

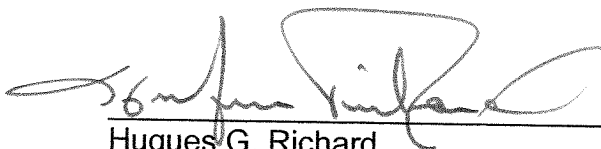
77. The Panel has decided as follows:

- (a) The Complainant is an eligible complainant.
- (b) The Registrant's Domain Name is Confusingly Similar to the LIBERTY TAX registered 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 has registered the Domain Name in bad faith.
- (e) The Complainant has satisfied its onus obligations under paragraph 4.1 of the Policy.

ORDER

78. 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 23rd day of April, 2009



Hugues G. Richard,
Sole Panellist