## CANADIAN INTERNET REGISTRATION AUTHORITY DOMAIN NAME DISPUTE RESOLUTION POLICY

#### COMPLAINT

Domain Name: superdry.ca

Complainant: DKH Retail Limited t/a Laundry Athletics and Laundry Athletics LLP

Registrant: Jason Facciolo

Registrar: Go Daddy Domains Canada, Inc. Service Provider: Resolution Canada Inc.

#### **DECISION**

#### A. THE PARTIES

- 1. The complainants are DKH Retail Limited t/a Laundry Athletics and Laundry Athletics LLP, both corporations organized and existing under the laws of the United Kingdom and having offices at Unit 60, The Runnings, Cheltenham GL51 9NW, United Kingdom. These entities will be referred to collectively as the "Complainant". The Complainant is represented by Fox Williams LLP.
- 2. The self-represented registrant is Jason Facciolo (the "Registrant"), whose address is 1419-5233 Dundas Street West, Toronto, Ontario, M9B 6M1, Canada.

#### B. <u>DISPUTED DOMAIN NAME & REGISTRAR</u>

3. The disputed domain name is *superdry.ca* (the "Domain Name"). The registrar is Go Daddy Domains Canada, Inc. (the "Registrar").

#### C. PROCEDURAL HISTORY

- 4. This is a dispute resolution proceeding initiated pursuant to the CIRA Domain Name Dispute Resolution Policy (the "Policy") and the CIRA Policies, Rules, and Procedures CIRA Domain Name Dispute Resolution Rules (the "Rules"). By registering the Domain Name with the Registrar, the Registrant agreed to the resolution of this dispute pursuant to the Policy and the Rules.
- 5. The Complainant filed its complaint (the "Complaint") on July 15, 2010.
  Resolution Canada Inc. (the "Provider") sent the Notice of Complaint to the
  Registrant on July 15, 2010. The Registrant filed a response (the "Response') on
  August 4, 2010.
- 6. On August 5, 2010, the Panel was appointed. As prescribed by paragraph 7.1 of the Policy, the Panel has declared to the provider that it can act impartially and independently in connection with this matter, and that there are no circumstances known to the Panel which would prevent it from so acting.

#### D. BASIS FOR DECIDING THE COMPLAINT

7. The Panel shall decide the proceeding on the basis of the Complaint and the Response.

# E. <u>CANADIAN PRESENCE REQUIREMENTS: ELIGIBILITY OF THE COMPLAINANT</u>

- 8. The Complainant Laundry Athletics LLP formerly owned the trade-marks which are the subject of Canadian trade-mark registration Nos. TMA759200 for the trade-mark SUPER DRY, TMA762760 for the trade-mark SUPERDRY & Design, and TMA766820 for the trade-mark SUPERDRY & Design (hereinafter the "Trade-marks"). The Complainant Laundry Athletics LLP filed evidence of an assignment of the Trade-marks to the Complainant DKH Retail Limited. While such has also been filed with the Canadian Trade-marks Office, according to the evidence before the Panel, DKH Retail Limited has not yet been recorded as the owner of the registrations corresponding with the Trade-marks. Thus, out of an abundance of caution, both companies were named as complainants. As of the date of this decision, the assignments have been recorded.
- 9. According to a strict interpretation of paragraph 2.1(q) of the CIRA Policies, Procedures and Guidelines: Canadian Presence Requirements for Registrants, the Complainant DKH Retail Limited meets the Canadian presence requirements as "the owner of a trade-mark which is the subject of a registration" under Canada's Trade-marks Act.

#### F. THE POSITIONS OF THE PARTIES

#### The Complainant's Position

- 10. The Complainant designs and sells men's and women's clothing in over twenty countries. The Complainant's worldwide annual revenue exceeds \$100 million.
- 11. The Complainant owns the trade-marks SUPER DRY (Registration No. TMA759200, issued on February 10, 2010, based on use in Canada since at least as early as January 2007), SUPERDRY & Design (Registration No. TMA762760, issued March 26, 2010, based on use in Canada since at least as early as November 2005), and SUPERDRY & Design (Registration No. TMA766820 issued on May 14, 2010 based on use in Canada since at least June 8, 2005).
- 12. The Complainant's sister company Super Group Internet Limited owns the registrations for the domain names *superdry.com* and *superdry.co.uk*.
- 13. The domain name *superdry.ca* is identical to a trade-mark in which the Complainant has rights, namely the trade-mark SUPER DRY, save for the .ca suffix, which is purely descriptive.
- 14. The Registrant has no legitimate interests in the Domain Name. The website corresponding with the Domain Name lists links to third party websites selling

goods of the Complainant's competitors. It is likely that the Registrant derives revenue by posting such third party links. There is no evidence that the Registrant has used the term SUPERDRY as a trade-name or trade-mark. Furthermore, the Registrant is not affiliated with the Complainant and has no authorization to use the Complainant's trade-mark as a domain name or otherwise. The Registrant is using the Complainant's trade-mark to divert internet traffic.

- 15. The Complainant has no control over the Registrant's use of the Domain name or of the quality or condition of the products or services offered for sale at the website corresponding with the Domain Name. Accordingly, use of the trademark SUPERDRY by the Registrant will tarnish the reputation of the Complainant's trade-mark and affect the integrity of the Complainant's brand. Further, the public will be misled to believe that the Respondent is in some way associated with or endorsed by the Complainant.
- 16. The Domain Name was registered and is being used in bad faith by the Registrant. The Registrant offered to sell or rent the Domain Name to the Complainant and also stated that he would be willing to consider posting a blank page at the corresponding website. The Registrant's use of the Domain Name attracts visitors to the corresponding website, who see links to other clothing websites. Accordingly, consumers will conclude that the website corresponding with the Domain Name is in some way endorsed, affiliated or sponsored by the Complainant. The Registrant is making commercial gain from the Trade-marks by attracting visitors to his website and deriving click through revenue.
- 17. The Complainant requests transfer of the Domain Name.

#### The Registrant's Position

- 18. The Registrant asserts that the Complainant has not registered the trade-mark SUPERDRY since registrations have not yet issued from Canadian Trade-mark application Nos. 1,426,928 and 1,422,949. The Registrant registered the domain name *superdry.ca* before the Complainant attempted to register the corresponding trade-mark.
- 19. The Registrant originally registered the Domain Name on October 3, 2008. Accordingly, the Domain Name was registered before the Complainant had any rights in Canada. That registration expired and the Registrant then re-registered the domain name on April 19, 2010.
- 20. The Registrant submits that it registered the Domain Name for use in respect of an invention unrelated to clothing or any other type of business similar to that of the Complainant.
- 21. The Registrar hosted third party links at the corresponding website without the Registrant's knowledge and the Registrant claimed that it derived no revenue from the third party links. The Registrant did not purchase a hosting account and thus he could not control the content posted at the corresponding website.

22. The Registrant maintains that the Domain Name was not registered and is not being used in bad faith because the corresponding trade-mark did not exist when the Registrant first registered the Domain Name. Further, the term "superdry" is generic and can be used to describe many products or conditions resulting from use of products. The Domain Name was registered in respect of the Registrant's invention, the workings or results of which may be related to the term "superdry".

#### G. DISCUSSION & REASONS

- 23. In accordance with paragraph 4.1 of the Policy, to succeed in this proceeding, the Complainant must prove, on a balance of probabilities, that:
  - (a) the 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 of the Policy;

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 of the Policy.

The terms "Rights", "Mark" and "Confusingly Similar" are defined terms under the Policy. 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 as described in paragraph 3.6 of the Policy.

#### **CONFUSINGLY SIMILAR - PARAGRAPH 3.4**

24. To satisfy the requirements of subparagraph 4.1(a) of the Policy, the Complainant must demonstrate that it has rights in a mark, that such rights predate the Domain Name registration date and that the Domain Name is confusingly similar with the disputed Domain Name.

#### Rights in a Mark

25. The Complainant is the owner of Canadian registrations for the Trade-marks. Accordingly, as per subparagraph 3.2(c) of the Policy, the Complainant has rights in the Trade-marks.

#### Prior Rights

26. The Domain Name was registered on April 19, 2010. The Registrant has put evidence before the Panel that he previously registered the Domain Name on

October 3, 2008, but it was allowed to lapse. The Panel is of the opinion that the relevant domain name registration date was when the Domain Name was registered, namely April 19, 2010, rather than when the previously expired registration was registered. The Policy requires the Panel to look at the registration date of the Domain Name.

- 27. Other than Registration No. TMA766,820, the registrations for the Trade-marks issued prior to the registration date of the Domain Name.
- 28. Where a Complainant relies upon a trade-mark registered prior to the Domain Name registration date, the Policy does not require or permit a Panel to go behind the registration to determine the validity of a trade-mark based upon lack of distinctiveness, non-use or lack of registrability.
- 29. The Panel concludes that the Complainant's rights in the trade-marks corresponding with Registration Nos. TMA759,200 and TMA726,760 predate the registration date of the Domain Name. Therefore the Complainant has established rights that predate the Domain Name registration date.

#### Confusingly Similar

- 30. According to paragraph 3.4 of the Policy, a domain name will be found to be confusingly similar with a mark if the domain name so nearly resembles the mark in appearance, sound or in the ideas suggested by the mark so as to be likely to be mistaken for the mark.
- 31. Pursuant to paragraph 1.2 of the Policy, a domain name is defined as the second level domain (the portion that immediately precedes the .ca suffix).
- 32. The test to be applied when a panel considers the concept of "confusingly similar" is one of first impression and imperfect recollection. The Complainant must prove, on a balance of probabilities, that a person, as a matter of first impression, knowing the Complainant's corresponding marks only, and having an imperfect recollection of the marks, would likely confuse the domain name for the Complainant's marks based upon the appearance, sound or the ideas suggested by the marks (Government of Canada, on behalf of Her Majesty the Queen in Right of Canada v. David Bedford, BCICAC Case No. 00011).
- 33. The only difference between the Domain Name and the trade-mark SUPER DRY, which is the subject of Registration No. TMA759200, is a space between the components SUPER and DRY in the trade-mark. It is well-established that the omission of a space from a domain name is not sufficient to differentiate the domain name from a trade-mark in which a complainant has rights (see, for example, *Red Brick Pizza, Inc. v. VMO, Inc.*, CIRA Dispute Resolution #0140). Further, the Domain Name incorporates the word portion of the trade-mark SUPERDRY & Design, which was registered prior to the Domain Name. Therefore, the Panel finds that the Domain Name and the trade-marks are confusing.

#### Conclusion - Existence of Confusion

34. The Panel holds that the Domain Name is confusingly similar with the trademarks SUPER DRY and SUPERDRY & Design (Registration Nos. TMA759200 and TMA726760) in which the Complainant had rights prior to the registration date of the Domain Name and in which the Complainant continues to have rights.

#### **BAD FAITH REGISTRATION**

35. The Complainant alleges that the Registrant has registered the Domain Name in bad faith under subparagraphs 3.7(a) and 3.7(c) of the Policy. The Panel will first consider subparagraph 3.7(c).

### Subparagraph 3.7(c) - Disrupt A Competitor

- 36. Subparagraph 3.7(c) of the Policy provides that a Domain Name was registered in bad faith if 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. Thus, the Complainant must establish that the Registrant and Complainant are competitors and that the Registrant's use of the Domain Name is disrupting the Complainant's business.
- 37. There is ample precedent that pointing a domain name to a pay-per-click website, displaying links to websites through which goods and services are competing with those offered by a complainant, may constitute evidence of bad faith. Apart from the traditional definition of "competitor", the jurisprudence has evolved under the Policy to support a finding of bad faith when the use of a domain name is likely to confuse end users as to source or sponsorship. This is the case even if the parties are not direct competitors.
- 38. The Registrant contends that it exercised no bad faith because the Domain Name resolved to the Registrar's default page rather than a web page operated by the Registrant.
- 39. Irrespective of the fact that the Registrar may have posted competing third party links, the Registrant maintains the ability to instruct the Registrar to remove the content from the webpage. This finding is consistent with how other panels have treated this issue (see, for example, *Hasbro Inc. v. 1550507 Ontario Inc.*, CIRA Dispute No. 00141). Registrants are responsible for all pages hosted in association with their domain names. Accordingly, pursuant to the Policy, the Registrant, as a party responsible for a website on which links to the Complainant's competitor are posted, is a competitor of the Complainant.
- 40. Also, the Registrant's use of the Domain Name disrupts the Complainant. As explained above, the Domain Name is confusingly similar with the trade-marks SUPER DRY and SUPER DRY & Design (Registration No. TMA726760). The Domain Name resolves to a website that lists links to websites of the Complainant's competitors. Internet users may be misled into believing that the

Complainant is the source of the competitor's products. Alternatively, or additionally, an internet user following one of the links displayed on the pay-per-click website may purchase products from a competitor of the Complainant, to the Complainant's detriment.

41. Accordingly, the Panel is satisfied that the Complainant has established that the Registrant registered the Domain Name in bad faith and specifically for the purpose of disrupting the business of the Complainant, a competitor.

## Subparagraph 3.7(a) - Acquisition for the Purpose of Transferring

42. Under paragraph 3.7(a) of the Policy, the Complainant must establish that:

the Registrant registered the domain name...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;

- 43. The Registrant claims that he registered the Domain Name for use in respect of an invention. However, when the Registrant was contacted by the Complainant's counsel to request transfer of the Domain Name in exchange for the transfer fees involved, the Registrant refused and stated that he was willing to "sell or rent" the Domain Name to the Complainant. The Registrant's willingness to sell the domain name is entirely inconsistent with his submission that he intended to use the Domain Name for his alleged invention, about which no details whatsoever were provided, and constitutes further evidence of bad faith.
- 44. Therefore, the Panel makes a finding of bad faith as per Paragraoh 3.7(a).

## LEGITIMATE INTEREST - SUBPARAGRAPHS 4.1(C) AND PARAGRAPH 3.6

- 45. The final element that the Panel must determine is whether or not the Registrant has a legitimate interest in the Domain Name.
- 46. According to paragraph 4.1 of the Policy, the Complainant must provide "some evidence that the Registrant has no legitimate interest in the domain name as described in paragraph 3.6". If the Complainant provides such evidence, the Registrant may succeed if it can show, on a balance of probabilities, that it has a legitimate interest in the Domain Name pursuant to paragraph 3.6. That provision states that the Registrant has a legitimate interest if:
  - (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; and (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.
- The only evidence before the Panel of use of the Domain Name is as an 47. unauthorized pay-per-click website. The Registrant has admitted that the only website to which the Domain Name resolved was the pay-per-click website. Such use was not in "good faith" as is required under each of subparagraphs 3.6(a)-(d) of the Policy. While the Registrant has suggested that he intends to use the Domain Name in respect of an invention that may have some relationship to the term "superdry", there is no evidence before the Panel that the Registrant has made any demonstrable preparations to use the Domain Name for that purpose. While the Panel is not requesting that the Registrant provide details on the invention, it remains incumbent on the Registrant to provide evidence of demonstrable preparations to use the domain name. This has not been provided, and the Panel is left with an offer to sell, use in association with a pay-per-click website and the misappropriation of a registered trade-mark as a domain name. The Registrant has therefore failed to displace the conclusion that the Domain Name was misappropriated.
- 48. Additionally, the Registrant has provided no evidence or arguments suggesting that subparagraphs 3.6(e) or (f) apply. Accordingly, the Registrant has not proven, on a balance of probabilities, that it has a legitimate interest in the Domain Name and the Panel concludes that the Registrant has no such legitimate interest.

#### **Decision & Order**

49. For the reasons set out above, the Panel finds in favour of the Complainant and orders, pursuant to paragraph 4.3 of the Policy, that the Domain Name shall be

transferred from the Registrant to the Complainant.

Dated at Ottawa, Onbario, Canada, this 17day of August, 2010.

Eric Macramalla, Chair

Jay Josefo

Timothy C. Bourne