

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

**Complainant:** AM Ford Sales Ltd.  
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Attention: Mary Davies

**Registrant:** Canada One Auto Group  
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**Disputed Domain Name** autocan.ca  
(the “Domain Name”)

**Registrar:** Tucows.com Co.

**Panel:** The Hon. Neil A. Brown QC, FCI Arb  
Elizabeth Cuddihy, QC, ICA  
John Rogers (Chair)

**Service Provider:** British Columbia International Commercial Arbitration Centre  
(the “BCICAC”)

**BCICAC File:** DCA-1265 - CIRA

### **PROCEDURAL HISTORY**

The BCICAC is a recognized service provider pursuant to the Domain Name Dispute Resolution Policy (the “Policy”) and Rules (the “Rules”) of the Canadian Internet Registration Authority.

The Complainant filed a complaint dated September 2, 2010 (the “Complaint”) with the BCICAC seeking an order in accordance with the Policy and the Rules directing that the registration of the Domain Name be cancelled.

The BCICAC determined the Complaint to be in administrative compliance with the requirements of Rule 4.2 of the Rules and, by letter of transmittal dated September 9, 2010 (the “Transmittal Letter”), forwarded a copy of the Complaint to the Registrant to serve as notice of the Complaint in accordance with Rule 2.1 and Rule 4.3 of the Rules. The Transmittal Letter determined the date of the commencement of proceedings in accordance with Rule 4.4 of the Rules to be September 8, 2010 and advised the Registrant that in accordance with the provisions of Rule 5 of the Rules, a Response to the Complaint was to be filed within 20 days of the date of commencement of proceedings, or September 28, 2010.

The Registrant delivered its Response dated September 28, 2010 in compliance with the Policy and the Rules and the BCICAC after a review of the Response determined it to be compliant.

In accordance with the provisions of Paragraph 6 of the Rules, the BCICAC appointed the undersigned as a three-person panel (“Panel”).

The Panel determines that they have been properly appointed and constituted as the three member panel to determine the Complaint in accordance with the Rules.

### **CANADIAN PRESENCE REQUIREMENTS**

The Canadian Presence Requirements for Registrants (“Presence Requirements”) require that to be permitted to apply for registration of, and to hold and maintain the registration of, a .ca domain name, the applicant must meet at least one of the criteria listed as establishing a Canadian presence. Section 2(d) of the Presence Requirements specifies that a corporation incorporated pursuant to the laws of Canada or a Canadian province satisfies this requirement.

The Complainant is incorporated under the laws of the Province of British Columbia and the Registrant under the laws of the Province of Alberta and, therefore, both the Complainant and the Respondent

meet the Canadian presence requirement.

### **ALL TECHNICAL REQUIREMENTS MET**

Based upon the information provided by the BCICAC, the Panel finds that all technical requirements for the prosecution of this proceeding have been met.

### **FACTS**

The facts before the Panel include the following:

1. The Complainant is a family owned small business based in Trail, British Columbia and operates two locations of a Ford-branded automobile dealership named “AM Ford” and “AM Ford Plus”, offering to communities within a radius of approximately 482 kilometres new and used vehicles for sale, vehicle financing, and vehicle services for all makes and models of vehicle;
2. The Complainant uses the trademark, autocanada.com, ( the “AUTOCANADA.COM Mark”) in connection with the operation of its business and has done so consistently since 1996;
3. The Complainant registered the domain name “autocanada.com” on January 10, 1996 and since that date has maintained an active website using this domain name;
4. The assets of the Registrant were purchased on May 11, 2006 by AutoCanada LP as part of the creation of the AutoCanada Income Fund. Subsequently, AutoCanada LP and its related income trust were converted to a corporation, AutoCanada Inc. Due to an administrative oversight, the registration of the Domain Name was not amended to reflect the legal owner of the Domain Name. This is currently being corrected and a request has been made to the Registrar of the Domain Name to change the name of the registrant of the Domain Name to AutoCanada Inc.
5. AutoCanada Inc. is Canada's largest multi-location and first publicly traded franchise automobile dealership group operating or managing 22 dealerships across Canada with over 1,100 employees. In 2008, its franchised automobile dealerships sold approximately 23,700 vehicles and processed approximately 277,300 service and collision repair orders in 284 service bays, generating revenue of approximately \$827 million;
6. 7268769 Canada Inc., an affiliate of the Registrant, is the owner of several registered Canadian trade-marks and common-law marks, including the common law trade-mark AUTOCAN.CA, which common law trade-mark it licenses to AutoCanada Inc.; and
7. AutoCanada Inc. currently owns hundreds of domain registrations, including several that incorporate the terms “autocan” and “autocanada”.

### **REMEDY SOUGHT**

The Complainant seeks an order from the Panel that:

1. as the Domain Name is confusingly similar to the AUTOCANADA.COM Mark,
2. as the Registrant has no legitimate interest in the Domain Name, and
3. as the Registrant has registered the Domain Name in bad faith,

the Panel instruct the Registrar of the Domain Name to cancel the Domain Name.

## **THE POLICY**

The purpose of the Policy as stated in paragraph 1.1 thereof is to provide a forum in which cases of bad faith registration of .ca domain names can be dealt with relatively inexpensively and quickly.

Paragraph 4.1 of the Policy puts the onus on the Complainant to demonstrate this “bad faith registration” by proving on a balance of probabilities that:

1. the AUTOCANADA.COM Mark qualifies as a “Mark” as defined in paragraph 3.2 of the Policy;
2. the Complainant had “Rights” (as “Rights” are defined in paragraph 3.3 of the Policy) in the AUTOCANADA.COM Mark prior to the date of registration of the Domain Name and continues to have “Rights” in the AUTOCANADA.COM Mark,
3. the Domain Name is “Confusingly Similar” to the AUTOCANADA.COM Mark as the concept of “Confusingly Similar” is defined in paragraph 3.4 of the Policy;
4. the Registrant has no “legitimate interest” in the Domain Name as the concept of “legitimate interest” is defined in paragraph 3.6 of the Policy; and
5. the Registrant has registered the Domain Name in “bad faith” in accordance with the definition of “bad faith” contained in paragraph 3.4 of the Policy.

If the Complainant is unable to satisfy this onus, bad faith registration is not demonstrated and the Complaint fails.

## **THE AUTOCANADA.COM MARK**

The relevant portion of paragraph 3.2 of the Policy states that for the purpose of the Policy a “Mark” is:

6. 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;

The Complainant has used the AUTOCANADA.COM Mark as its common law trademark in Canada since 1996 to distinguish its business of an automobile dealership and automobile financing from another provider of such goods and services. The Complainant continues to use the AUTOCANADA.COM Mark in a similar capacity.

The Complainant registered the AUTOCANADA.COM Mark as the domain name autocanada.com on January 10, 1996 and has used this domain name since that date as an active website and as a marketing tool for its business

The Complainant has established that the AUTOCANADA.COM Mark qualifies as a “Mark” within

the provisions of paragraph 3.2 (a) of the Policy.

## **RIGHTS**

The relevant portion of paragraph 3.3 of the Policy states that for the purpose of the Policy the Complainant 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;

As noted above in the examination of the qualification of the AUTOCANADA.COM Mark as a “Mark”, paragraph 3.2(a) of the Policy applies as the Complainant has used the AUTOCANADA.COM Mark in Canada both prior to and following the registration of the Domain Name on February 14, 2006.

The Complainant, therefore, has “Rights” in the AUTOCANADA.COM Mark.

## **CONFUSINGLY SIMILAR**

Policy paragraph 3.4 provides that the Domain Name will be “Confusingly Similar” to the AUTOCANADA.COM Mark if the Domain Name so nearly resembles the AUTOCANADA.COM Mark in appearance, sound or the ideas suggested by the AUTOCANADA.COM Mark as to be likely to be mistaken for the AUTOCANADA.COM Mark.

In the matter at hand, the Domain Name consists of a portion of the AUTOCANADA.COM Mark consisting of the word “AUTOCAN” followed by the .ca suffix. As paragraph 1.2 of the Policy defines the Domain Name for the purpose of this proceeding to exclude the .ca suffix, it is only this word which is relevant for comparison purposes.

Therefore, to satisfy the onus placed upon it by the Policy, the Complainant must demonstrate that “AUTOCAN” so nearly resembles the AUTOCANADA.COM Mark in appearance, sound or the ideas suggested by the AUTOCANADA.COM Mark as to be likely to be mistaken for the AUTOCANADA.COM Mark.

The Complainant asserts that the AUTOCANADA.COM Mark and the Domain Name look and sound similar, and posits that the test for this must be one that takes a perspective “from the point of view of an unwary consumer”, which test the Claimant submits was that used by the panel in its February 27, 2007 decision in *Musician's Friend Inc. v. Low Cost Domains Inc.* (CIRA case No. 00075, 2007).

Actually, the complete test applied by this panel is captured in the following paragraph from page 3 of this decision:

A generally accepted principle when applying the test of confusion is looking at the trademarks from the point of the unwary consumer – comparing similarities as

opposed to differences. Can the consumer be easily misled by error or otherwise – and perhaps not even know?

We agree with the Complainant that this test is a useful one as a starting point. However, the wording in Paragraph 3.4 of the Policy includes other elements which must be considered. The first is the concept of resemblance in terms of appearance, sound or ideas between the domain name under consideration and the mark. As was observed by the panel in *Microsoft Corporation v. Microscience Corporation* (CIRA case No. 00034, 2005) this concept requires that the “unwary consumer”, to use the Complainant's terms, in this case would have had to have had prior knowledge of the AUTOCANADA.COM Mark for the purpose of this comparison.

In addition, this concept requires the Complainant to present evidence to the panel of such an unwary consumer being confused by a resemblance between the AUTOCANADA.COM Mark and the Domain Name in at least one of the three terms of appearance, sound or ideas.

There was no evidence before us of such confusion. Accordingly, the Complainant has not succeeded in showing that the Domain Name is confusingly similar to the AUTOCANADA.COM Mark.

#### **NO LEGITIMATE INTEREST**

Paragraph 4.1 of the Policy requires that to succeed in the Complaint, the Complainant must provide some evidence that the Registrant has no legitimate interest in the Domain Name as the concept of “legitimate interest” is provided for in paragraph 3.6.

Paragraph 3.6 of the Policy provides that:

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.

There is no evidence before the Panel that the Domain Name is a Mark in which the Registrant has Rights and that the Registrant used the Domain Name in good faith prior to the filing of the Complaint as set out in paragraph 3.6(a).

On the face of it, the Domain Name, even if used to identify the Respondent's website, does not appear to be clearly descriptive of wares, services or business of the Registrant or of the people involved in or place of origin thereof as provided for in paragraph 3.6(b). It is to be noted that a general description is not sufficient to satisfy the requirements of this paragraph 3.6(b), the requirement being that the Domain Name be *clearly* descriptive. We find that the Domain Name does not meet this test.

Similarly, there is no evidence that the Domain Name is understood in Canada as the generic name of wares, services, or business offered by the Registrant, that the Domain Name is used in Canada in connection with a non-commercial activity of the Registrant, that the Domain Name is a name by which the Registrant is commonly identified, or that the Domain Name is the geographical name of the location of the Registrant's non-commercial activity or place of business. Therefore, the provisions of paragraphs 3.6(c), 3.6(d), 3.6(e) and 3.6(f) do not apply.

Therefore, the Panel finds that the Complainant has provided some evidence that the Registrant has not demonstrated a legitimate interest in the Domain Name in accordance with the provisions of paragraph 3.6.

### **BAD FAITH**

Under paragraph 3.7 of the Policy, the Registrant will be considered to have registered the Domain Name in bad faith if, and only if, the Complainant can demonstrate that the Registrant in effecting the registration of the Domain Name was motivated by any one of the three general intentions set out in paragraph 3.7. Of these intentions, the Complainant has focused on that form of intention contained in paragraph 3.7(c) as being the one most applicable to the matter at hand.

Paragraph 3.7(c) provides as follows:

(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.

There is before the Panel no direct evidence of the Registrant's intention in registering the Domain Name. Such intention must therefore be based upon a common sense inference from the Domain Name website and from the Registrant's use of this website.

As well, in determining the Registrant's intention, the Panel must be cognisant of the wording of paragraph 3.7(c) which requires both that the Complainant be a competitor of the Registrant and that the Registrant's *primary* purpose in registering the Domain Name is the disruption of the business of the Complainant.

Although the Registrant submits that on February 14, 2006, the date of registration of the Domain Name, the Registrant was not a competitor of the Complainant, it confirms that it does currently operate a franchise dealership in the same market area as that serviced by the Complainant. The Registrant also confirms that it and the Registrant "are in the same area of business and, like all car dealers compete for Internet traffic".

Paragraph 3.7(c) employs the phrase "who *is* a competitor of the Registrant" (emphasis added). This speaks to consideration of the current competitive relationship between the Complainant and the Respondent, not the relationship which might have existed between them at the date of registration of the Domain Name. Therefore, for the purpose of the application of the provisions of paragraph 3.7(c) to the matter at hand, the relevant date for determining the relationship between the Complainant and the Registrant is the date that the Complaint was filed, not February 14, 2006.

In the material before us, the Registrant has acknowledged that it and the Complainant are competitors.

As the Registrant and the Complainant are acknowledged competitors, although there is no evidence to that effect before us, it should logically follow that the registration of the Domain Name must have to some extent disrupted the business of the Complainant. But the obligation imposed on the Complainant by the provisions of paragraph 3.7(c) goes beyond a logical inference. The Complainant must demonstrate that the *primary purpose* of the registration of the Domain Name by the Registrant is the disruption of its business.

The evidence before us provides the listing of the many hundreds of domain registrations owned by the Registrant which it uses in carrying on its business. This ownership suggests a general marketing strategy using the internet to compete with other parties in businesses similar to that of the Registrant, rather than a targeted approach focused on the Complainant. That being said, there is no evidence before us of the Complainant's business being disrupted.

Nor does the attempt by associates of the Registrant to purchase the Complainant's AUTOCANADA.COM Mark assist the Complainant in meeting the obligation on it to show this

primary intention at the date of registration of the Domain Name, especially when the evidence before us is that such initiatives were made well after the registration of the Domain Name.

We therefore find that although the Complainant has established that the Registrant is its competitor, it has not established that the Registrant's primary purpose in registering the Domain Name was to disrupt the Complainant's business.

## **DECISION**

As was above set out, to be successful in the Complaint the Complainant has the onus of proving on a balance of probabilities five specific items. We find that the Complainant has satisfied this onus with respect to three of these items by demonstrating that the AUTOCANADA.COM Mark qualifies as a Mark in accordance with paragraph 3.2 of the Policy, that the Complainants had Rights in the AUTOCANADA.COM Mark and continues to have such rights, and that the Registrant does not have a legitimate interest in the Domain Name in accordance with the provisions of paragraph 3.6.

However, the Complainant has not satisfied this onus with respect to the remaining two items. It has not established in accordance with the provisions of paragraph 3.4 of the Policy that the Domain Name is confusingly similar with the AUTOCANADA.COM Mark, nor has it established that the Registrant registered the Domain Name in bad faith in accordance with the provisions of paragraph 3.6 of the Policy.

Therefore, the Panel finds that the Complainant has failed to satisfy the onus placed upon it by paragraph 4.1 of the Policy and is not entitled to the order sought by it.

## **CLAIM FOR COSTS**

The Registrant has claimed costs pursuant to paragraph 4.6 of the Policy.

Paragraph 4.6 of the Policy entitled “**Bad Faith of Complainant**” states:

If the Registrant is successful, and the Registrant proves, on a balance of probabilities, 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 any Registration which is the subject of the Proceeding, then the Panel may order the Complainant to pay to the Provider in trust for the Registrant an amount of up to five thousand dollars (\$5000) to defray the costs incurred by the Registrant in preparing for, and filing material in the Proceeding. The Complainant will be ineligible to file another Complaint in respect of any Registration with any Provider until the amount owing is paid in full to the Provider.

It is to be noted that paragraph 4.6 of the Policy imposes an onus on the Registrant if it is to be successful in this claim for costs to prove on a balance of probabilities that the Complainant was commenced by the Complainant for the purpose of attempting unfairly and without a colour of right to

have the Domain Name cancelled. The Registrant seeks to meet this onus by submitting that the Claimant “appears to be embarking on a project to run a forum for car enthusiasts which will not compete for business with the Registrant”.

We find that the Registrant’s claim of the Claimant embarking on the above described project does not meet the onus placed upon the Registrant by paragraph 4.6 of proving unfairness and lack of colour of right in the Complainant’s action in launching the Complaint and disallow the Registrant’s claim for costs.

Dated: October 25, 2010.

“R. John Rogers”

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R. John Rogers, Chair

“N. A. Brown”

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The Hon. Neil A. Brown QC, FCI Arb, Panel Member

“Elizabeth Cuddihy”

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Elizabeth Cuddihy, QC, ICA, Panel Member