

**CANADIAN INTERNET REGISTRATION AUTHORITY
DOMAIN NAME DISPUTE RESOLUTION POLICY**

DECISION

Domain Name: eset.ca

Complainant: ESET, spol. s.r.o.

Registrant: Data Integration Systems Co. c/o Michael Mahmood

Registrar: Tucows.com Co.

Service Provider: ResolutionCanada Inc.

Panelists: Eric Macramalla (Chair), Sharon Groom and Hugues Richard

A. THE PARTIES

1. The Complainant is ESET, spol. s.r.o. (the “Complainant”). The Complainant’s representative is Stein Monast LLP.
2. The Registrant is Data Integration Systems Co. c/o Michael Mahmood (the “Registrant”).

B. DISPUTED DOMAIN NAME & REGISTRAR

3. The disputed domain name is eset.ca (the “Domain Name”) and the Registrar is Tucows.com Co.

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 registration of 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 December 12, 2012. The Date of Commencement of the proceeding was January 16, 2013.
6. The Registrant’s Amended Response was issued February 15, 2013. The initial Response was issued on February 4, 2013, but was deemed non-compliant. The Amended Response cured the deficiencies and was accepted by ResolutionCanada.
7. On March 14, 2013, the Panel was appointed. As prescribed by 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. CANADIAN PRESENCE REQUIREMENTS: ELIGIBILITY OF THE COMPLAINANT

8. The Complainant is the owner of a Canadian trade-mark registration ESET, Registration No. TMA617610. The Panel is therefore satisfied that the Complainant is eligible to initiate these proceedings.

E. THE POSITIONS OF THE PARTIES

The Complainant's Position

9. The Complainant is a home security solutions computer software company. The Complainant is the owner of the Canadian trade-mark registrations ESET, Registration No. TMA617610 and ESET & Design, Registration No. TMA617869 (the "ESET Trade-marks"). The Complainant claims it has used the ESET trade-mark in Canada since at least as early as May 2000. Both trade-mark registrations issued in August 2004.
10. The subsidiary of the Complainant registered the Domain Name on November 27, 2000. However, in 2011 the subsidiary forgot to renew the Domain Name, at which time it was acquired by the Registrant.
11. With a view to settling the matter amicably, the Complainant offered to purchase the Domain Name from the Registrant for \$250.00. In response the Registrant indicated as follows: "*The ESET.CA domain has been appraised by top domain name trading companies to be worth between \$11,000.00 and \$6500.00...Please make a serious enough financial offer which will be worthy of consideration and future negotiation*".
12. The Domain Name has remained inactive since it was acquired by the Registrant in 2011.
13. The Domain Name is confusingly similar with the ESET Trade-marks. The Registrant does not have a legitimate interest in the Domain Name as it is not licensed, or otherwise authorized, to use the ESET Trade-marks. The Registrant registered the Domain Name in bad faith in that it registered the Domain Name primarily for the purpose of selling it to the Complainant in excess of his out-of-pocket registration costs.
14. The Complainant is seeking the transfer of the Domain Name.

The Registrant's Position

15. The Registrant did not acquire the Domain Name in 2011 but rather on November 27, 2000.
16. A "few years ago", the Registrant was approached by a company related to the Complainant with a view to acquiring the Domain Name. The Complainant already owned eset.com. The parties agreed "on a particular price". However, when it came time to transfer the Domain Name, the Registrant was advised by

the Registrar that the acquiring party did not satisfy the Canadian Presence Requirements. Thereafter, the Registrant was asked to redirect the Domain Name to eset.com, to which the Registrant agreed.

17. The Registrant added as follows: “I informed the representative that I will only transfer the Registrant ownership when ESET.COM has met the Canadian Presence requirements and at the same time I will get paid for the amounts agreed. Meanwhile ESET.COM will be responsible to pay for ESET.CA renewals. After some time past, my ESET.CA Registrar contacted me and told me that ESET.COM failed to provide Canadian Presence requirement and that ESET.CA domain renewal will now be my responsibility otherwise ESET.CA domain will expire. Therefore, I once again started to pay and renew the ESET.CA to present as ESET.COM could not fulfill the requirements that we had agreed to.”

F. DISCUSSION & REASONS

18. 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 Registrant’s 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 3.5 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 3.4 of the Policy.

CONFUSINGLY SIMILAR - PARAGRAPH 3.3

19. In order to satisfy this branch of the test, the Complainant must demonstrate (i) that it has rights in a mark, (ii) that the rights in its mark predate the registration date of the Domain Name, and (iii) that the Domain Name is confusingly similar with the disputed domain name.

Rights in the Marks & Rights that Predate the Domain Name Registration Dates

20. Both parties claim they registered the Domain Name at the creation date, which is November 27, 2000. The Complainant has provided documentary evidence of an email correspondence dated August 17, 2006 from the Registrar to Eset confirming the renewal of the Domain Name for a 2 year period. The earliest documentary evidence provided by the Registrant indicating a connection to the Domain Name is dated November 26, 2008 directing the Registrant to renew the Domain Name. Accordingly, the chain of title lacks a certain level of clarity. The Complainant’s email receipt suggests that it owned the Domain Name in 2006 and

there is no documentary evidence confirming that the Registrant owned the Domain Name before 2008. However, it is possible that the Domain Name was in the Registrant's account since registration (i.e., November 27, 2000) given that the renewal reminder was issued to the Registrant on November 26, 2008, a day before the expiration of the Domain Name the Complainant renewed. Indeed, a renewal reminder would suggest that the Domain name was in the Registrant's account, particularly given that the Domain Name would have expired on November 27, 2008.

21. Interestingly, the Complainant does not allege that the Registrant registered the Domain Name in 2011, but rather "took it over" in 2011.
22. Accordingly, the Panel cannot conclude that the Complainant registered the Domain Name in 2000 (if the Panel made such a conclusion, it would be open to it to rely on the later acquisition date as the material date for establishing prior rights).
23. Therefore, for the purpose of this proceeding, the Panel has elected to deem the material date as November 27, 2000, which is the creation date of the Domain Name.
24. The Complainant used its trade-mark in Canada since at least as early as May 2000. Accordingly, the Panel find that the Complainant's rights precede the Domain Name registration date.

Confusingly Similar

25. As per paragraph 3.3 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.
26. Pursuant to paragraph 1.2 of the Policy, a domain name is defined as the second level domain (the portion that immediately precedes the dot-ca suffix).
27. The test to be applied when considering "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 mark.
28. It should be noted that the test for confusion under the Policy is not the same test for confusion set out under the Canadian *Trade-marks Act*. Under the Section 6(5) of the *Trade-mark Act*, when assessing the likelihood of confusion between marks, the factors to consider are as follows: (a) the inherent distinctiveness of the marks and the extent to which they have become known; (b) the length of time the marks have been in use; (c) the nature of the wares, services, or businesses; (d) the nature of the trade; (e) the degree of resemblance between the marks in

appearance or sound or in the ideas suggested by them; and (f) the surrounding circumstances.

29. In contrast, the Policy provides that confusion is established if a domain name so nearly resembles a mark in appearance, sound or in the ideas suggested. This is similar to the test set out under Section 6(5)(e) of the *Trade-marks Act*. However, the remaining factors as set out under the *Trade-marks Act* do not apply to the assessment of confusion under the Policy. The Policy's summary proceedings are ill-suited for the in-depth and traditional confusion analysis contemplated by the *Trade-marks Act*.
30. The Domain Name is identical to the ESET Trade-marks. Under the circumstances, the Panel concludes that the Domain Name is confusingly similar with the Complainant's ESET Trade-marks, given that the Domain Name so nearly resembles the ESET Trade-marks in appearance, sound and in the ideas suggested so as to be likely to be mistaken for the marks.

Conclusion - Confusion

31. The Panel finds that the Domain Name is confusingly similar with the ESET Trade-marks in which the Complainant had rights prior to the registration date of the Domain Name, and continues to have such rights.

BAD FAITH REGISTRATION

32. The Complainant has alleged that the Domain Name was registered in bad faith pursuant to paragraph 3.5(a) of the Policy, namely that the Registrant registered the domain name primarily for the purpose of selling it to the Complainant for valuable consideration in excess of the Registrant's actual costs in registering the Domain Name.
33. In response to the Complainant's offer of \$250.00, the Registrant suggested that a price between \$6500.00 and \$11,000.00 would be more in keeping with the value of the Domain Name. This counter-offer is far in excess of the Registrant's out-of-pocket expenses associated with the acquisition of the Domain Name. In light of this offer together with the surrounding circumstances, including the extended inactivity of the Domain Name, the Panel finds that the Domain Name was registered in bad faith.
34. In light of the foregoing, the majority of the Panel finds that the Complainant has established bad faith as per paragraph 3.5(a).

LEGITIMATE INTEREST

35. The final element to determine is whether the Registrant has a legitimate interest in the Domain Name.

36. As per 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”.
37. Once this onus has been discharged by the Complainant, the Registrant may still succeed if it can show, on a balance of probabilities, that it has a legitimate interest in the Domain Name pursuant to paragraph 3.4.
38. In the view of the Panel, with regard to the evidence, the Registrant does not meet any of the circumstances listed in paragraph 3.4 of the Policy. The Registrant’s use of the Domain Name is limited to the aim of domain name trading and ensuing financial gain. The Registrant has not used the Domain Name in connection with any wares or services since its registration. Moreover, the Registrant rejected an initial offer of \$250.00 from the Complainant for the transfer of the Domain Name. Instead, the Registrant provided a counter offer between \$6,500.00 and \$11,000.00 for the rights to the Domain Name.
39. Under the circumstances, the Panel is of the view that the Registrant has failed to satisfy the onus under paragraphs 4.1 (c) and 3.4 of the Policy.
40. Accordingly, a majority of the Panel finds that the Registrant does not have a legitimate interest in the Domain Name.

DECISION & ORDER

41. For the reasons set out herein, the Panel decides this dispute in favour of the Complainant.
42. Pursuant to paragraph 4.3 of the Policy, the Panel orders the transfer of the domain name eset.ca.

Dated at Ottawa, Ontario, Canada, this 15th day of April, 2013.

Eric Macramalla (Chair), Sharon Groom and Hugues Richard



Eric Macramalla (Chair) for the Panel