

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

Dispute Number: DCA- 1570– CIRA
Domain(s) in Dispute: guitarcenter.ca and laguitarcenter.ca
Complainant: Guitar Center, Inc.
Registrant: Robert (Rob) Piperni
Registrar: Lowcost Domains Inc
Service Provider: British Columbia International Commercial Arbitration Centre
Panel: Elizabeth Cuddihy (Sole Panelist)

DECISION

The Parties

1. The Complainant is Guitar Center, Inc. of 5795 Lindero Canyon Road, Westlake Village, California 91362, USA, (the Complainant).
2. The Registrant is Robert (Rob) Piperno of 230 Lakeshore Road East, Mississauga, Ontario, Canada L5G 1G7, (the Registrant).

The Disputed Domain Names and Registrar

3. The domain names at issue are guitarcenter.ca, (Disputed Domain Name 1) and laguitarcenter.ca, (Disputed Domain Name 2) and collectively (the Disputed Domain Names).
4. The Registrar of record for the Disputed Domain Names at the date of the Complaint is Lowcost Domains Inc.
5. Disputed Domain Name 1 was registered on May 16, 2002. Disputed Domain Name 2 was registered on December 21, 2006.

Procedural History

6. The British Columbia International Commercial Arbitration Centre (BCICAC) is a recognized service provider to the Domain Name Dispute Resolution Policy (the Policy) and Rules (the Rules) of the Canadian Internet Registration Authority (CIRA).

7. On February 7, 2014, the Complainant filed a complaint dated February 6, 2014, (the Complaint) with the BCICAC seeking an order in accordance with the Policy and the Rules directing that the registration of the Disputed Domain Names be transferred to the Complainant, forthwith.

8. The BCICAC determined the Complaint to be in administrative compliance with the requirement of CDRP and the Rules, and, by letter dated February 13, 2014 so advised the parties and forwarded a copy of the Complaint with Attachments to the Registrant by email.

9. The Registrant failed to submit a Response within the timeframe provided pursuant to the Rules. The Complainant has elected to proceed with a single member panel to determine the matter.

10. By letter dated March 13, 2014, the BCICAC appointed the above-named person as the single member panel (the Panel).

11. Relying on the BCICAC, the Panel deems that it has been properly constituted as a single member panel to determine the Complaint in accordance with the Policy and the Rules.

12. As the Registrant did not provide a Response to the Complaint, the Panel shall determine the matter on the basis of the Complaint.

Canadian Presence Requirements

13. In order for a Registrant to be permitted to apply for registration of, and to hold and maintain the registration of a dot ca domain name, the Canadian Presence Requirements for Registrants (the Presence Requirements) require that the applicant meet at least one of the criteria listed as establishing a Canadian presence.

14. Section 2(q) of the Presence Requirements specifies that a Person who does not meet any of the conditions specified in section 2 (a) to (p) inclusively, but which is the owner of a trade-mark which is the subject of a registration under the *Trade-marks Act* (Canada) R.S.C. 1985, c.T-13 as amended from time to time, satisfies the requirement, provided the dot-ca domain name consists or includes the exact word component of that registered trade-mark.

15. The Complainant is the owner of Canadian Trade-mark registrations for GUITAR CENTYER and GUITAR CENTER & DESIGN registered in the Canadian Intellectual Property Office, (CIPO) on March 1st and second 2012, respectively as registration Nos.TMA818899 and TMA819009, respectively, (the GUITAR CENTER Mark).

16. Accordingly, as the Complaint relates to Disputed Domain Names which include the exact word component of Marks registered in CIPO and owned by the Complainant, the Presence Requirements are satisfied.

The Position of the Parties

The Complainant's Position

17. The Complainant, a privately held company, is the largest chain of musical instrument retailers in the world. Its flagship store opened in 1959 on Sunset Boulevard in Los Angeles, California (aka "L.A."). This flagship store has gained additional notoriety since its inception as it features the historic "Hollywood Rock Walk" which is the hall of fame honoring musical artists such as AC/DC, Aerosmith, Def Leppard, Eric Clapton, Elvis Presley, Jerry Lewis, John Lennon to name a few and is considered a top tourist attraction in Los Angeles, California. It sells musical instruments to individuals worldwide including Canada, through a variety of means including through its retail stores, its online store, accessible at www.guitar.com, its toll free number and its catalogues.

18. In particular, the Complainant currently owns and operates 252 retail locations across the United States. Several of these locations are located in states that border Canada, including, for example, Michigan, Minnesota, New York and Washington. Canadians regularly visit the Complainant's stores in the United States, in particular those which are a short drive from the Canadian border within 100 miles.

19. In addition to its retail store locations, the Complainant has owned the domain name <guitarcenter.com> since March 17, 1995 and has operated an online retail store from that address since shortly thereafter, which has been accessible to Canadians.

20. The Complainant is also the owner of several United States Trade-mark registrations relating to several brands, including active registrations for the marks GUITAR CENTER and GUITAR CENTER & Design (the US Registered Mark), the earliest US registration being as early as 1984.

21. The Complainant has been using its US Registered Mark, consistently and continuously in association with retail stores services featuring guitars, amplifiers, keyboards, percussion pro-audio, drums, sheet music, music books and accessories and products related thereto for approximately 50 years and with online retail stores services of the same type for almost 20 years. From 2002 to 2013, its net US Dollar revenues from worldwide sales of musical instruments and related accessories in association with the GUITAR CENTER Mark have been in the range of 850 million in 2002 to in excess of 1.4 billion in 2007 – 2013.

22. As part of its marketing plan, the Complainant spends significant sums on advertising and promotion of its services, including through the Internet, print advertising and radio advertising. In this regard, the Complainant has advertised its services in association with its GUITAR CENTER Mark by way of radio advertisements in Canada since at least as early as 1999. In particular, the Complainant has advertised its services on CIMX FM, a Windsor Ontario-based radio station since 1999 and CKEY FM, a Niagara Falls, Ontario-based radio station since 2004. Advertising expenses paid to CIMX between 2001 and 2006 exceed \$375,000(USD). Advertising expenses paid to CKEY FM from 2004 to 2006 exceed \$48,000(USD). By way of print, the Complainant has advertised in a variety of U.S. music related magazines, many of which are available in and distributed in Canada and it has been referenced in newspaper articles published by Canadian media outlets including the National Post, the Ottawa Citizen and the Province (British Columbia) in the 1980s and 1990s.

23. Business records between 2006 and 2011 indicate that 6,346 identified Canadian residents purchased merchandise from a single guitar center store in Michigan and 4,337 identified Canadian residents purchased merchandise from a single store in New York.

24. For approximately 50 years, the GUITAR CENTER Mark has gained recognition through its sales and advertising including the operation of its flagship store on Sunset Boulevard in Los Angeles, California and as a result virtually all owners of retail stores selling musical instruments in Canada are aware of the Complainant's GUITAR CENTER Mark.

25. The Registrant registered Disputed Domain Name 1 on May 16, 2002. The Registrant registered Disputed Domain Name 2 on December 6, 2005. The Disputed Domain Names are confusingly similar to the GUITAR CENTER Mark. Disputed Domain Name 1 is identical to the GUITAR CENTER marks, but for the addition of the ".ca" portion. Disputed Domain Name 2 is identical to the GUITAR CENTER Mark but for the addition of the letters "LA" at the beginning of Disputed Domain Name 2, and the ".ca" portion.

26. Although the Disputed Domain Names were registered prior to the date of registration of the GUITAR CENTER Mark in CIPO, the Complainant alleges that it had rights in the GUITAR CENTER Mark well before the date of registration of the Disputed Domain Names by the Registrant, said rights being based on widespread use in Canada and the long standing reputation in Canada of its US Registered Mark.

27. The Complainant claims that the Registrant has no legitimate interest in the Disputed Domain Names in accordance with paragraph 3.4 of the Policy.

28. The Complainant claims that the Registrant has registered the Disputed Domain Names in bad faith and relies on circumstances as described in paragraphs 3.5(b) and 3.5(c) of the Policy.

29. The Complainant, as owner of the GUITAR CENTER Mark registered in CIPO, which GUITAR CENTER Mark was well known to the public prior to the registration of the Disputed Domain Names by the Registrant, claims that the Disputed Domain Names are confusingly similar to the Complainants' GUITAR CENTER Mark, in which the Complainant had rights prior to the registration of the Disputed Domain Names, that the Registrant registered the Disputed Domain Names in bad faith and that the Registrant has no interest in the Disputed Domain Names. Accordingly the Complainants request an Order transferring the Disputed Domain Names to the Complainant forthwith.

The Registrant's Position

30. The Registrant did not file a Response.

Analysis and Findings

31. The purpose of the Policy as stated in paragraph 1.1 of the Policy is to provide a forum by which cases of bad faith registration of dot-ca domain names can be dealt with relatively inexpensively and quickly. The Policy does not apply to other types of differences between owners of trade-marks and Registrants of Domain names.

Relevant provisions of the Policy are provided below

32. Paragraph 4.1 of the Policy provides

4.1 **Onus.** To succeed in a Proceeding, the Complainant must 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 3.5; 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.

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 3.4.

33. Paragraph 3.2 of the Policy provides in part

3.2 **Mark.** A "Mark" is

- (a) A trademark, including the word elements of a design mark, or a trade name that has been used in Canada by a person, or a 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 for the wares, services or business of another person;

34. Paragraph 3.3 provides

3.3 Confusingly Similar. In determining whether a domain name is "Confusingly Similar" to a Mark, the Panel shall only consider whether the domain name so nearly resembles the Mark in appearance, sound or the ideas suggested by the Mark as to the likely to be mistaken for the Mark.

35. Paragraph 3.4 provides:

3.4 Legitimate Interest. For the purposes of paragraphs 3.1(b) and 4.1(c), any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate that the Registrant has a legitimate interest in the domain name:

(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 registered 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 3.4 (d) "use" by the Registrant includes, but is not limited to, use to identify a web site.

36. Paragraph 3.5 provides:

3.5 Registration in Bad Faith. For the purposes of paragraph 3.1(c) and 4.1(b), any of the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence that a Registrant has registered a domain name in bad faith:

(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 Registrants' 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;

(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; or

(d) The Registrant has intentionally attempted to attract for commercial gain, Internet users to the Registrant's website or other on-line location, by creating a likelihood of confusion with the Complainant's Mark as to the source, sponsorship, affiliation or endorsement of the Registrant's website or location or of a product or service on the Registrant's website or location.

37. In summary, to succeed in a proceeding, the Complainant must prove on a balance of probabilities that:

1. The dot-ca domain name is confusingly similar to a Mark in which the Complainant had rights prior to the registration of the domain name and continues to have such rights;
2. The Registrant has registered the domain name in bad faith; and
3. The Complainant must provide some evidence that the Registrant has no legitimate interest in the domain name.

Notwithstanding the above, the Registrant will succeed if the Registrant proves on a balance of probabilities that he has a legitimate interest in the domain name.

Confusingly Similar

38. Evidence shows that the Complainant is the owner of the GUITAR CENTER Mark as registered in CIPO as No.TMA818899, on March 1, 2012 and as No.TMA819009 on March 2, 2012.

39. In accordance with Paragraph 3.3 of the Policy, 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 mistaken for the Mark. In assessing similarity, paragraph 1.2 of the Policy provides that the dot-ca suffix of the domain name is ignored. It is the narrow resemblance test that is applied.

40. Disputed Domain Name 1 incorporates the whole of the GUITAR CENTER Mark. The dot-ca is ignored for the purpose of paragraph 1.2.

41. Disputed Domain Name 2 differs only from the Complainant's Mark by the dot-ca suffix of Disputed Domain Name 2, which is ignored and by the addition of the non-distinctive element "LA" before the words GUITAR CENTER. In that regard the Complainant submits that despite the addition of "LA" to the beginning of Disputed Domain 2, that domain name remains confusingly similar to the GUITAR CENTER Mark, especially when it is considered that the Complainants' first GUITAR CENTER location was opened in Los Angeles, California, or "L.A." which remains the location of the famous Hollywood Rock Walk tourist attraction.

42. In the Panel's view the addition of the letters "LA" before the exact words of the mark is not *prima facie* sufficiently distinctive to distinguish Disputed Domain Name 2 from the Complainant's GUITAR CENTER Mark.

43. It is a well established principle that a domain name that wholly incorporates a Mark will be found to be confusingly similar to the Mark despite the fact that the domain name may also contain a descriptive or generic term. Accordingly for the reasons noted above, the Disputed Domain Names are confusingly similar to the Complainants' GUITAR CENTER Mark.

Rights in the Mark prior to the registration of the Disputed Domain Names and continuing rights

44. The Registrant registered Disputed Domain Name 1 on May 15, 2002 and Disputed Domain Name 2 on December 21, 2006. The Complainant registered its GUITAR CENTER Mark in CIPO in 2012.

45. Notwithstanding the date of registration of its GUITAR CENTER Mark in CIPO, the Complainant submits that it had "rights" in the GUITAR CENTER Mark in accordance with the Policy well before the date of registration of the Disputed Domain Names.

46. In support of its prior rights, the Complainant argues that Rights under the Policy can be demonstrated not only by showing use of a trade-mark in Canada prior to the registration of the disputed domain name but also through any other basis for "Rights" in a trade-mark supported by the *Trade-marks Act* and Canadian jurisprudence, provided that the "Rights" pre-date the registration of the domain name.

47. First, the Complainant has used its trade-marks in Canada prior to the registration of the Disputed Domain Names in that it has advertised its Guitar Center business on Canadian radio since 1999. In support of that claim it refers to *FileNet Corp v Registrar of Trade-marks* (2002), 22 CPR (4th) 328 (FCA) at 331 where it was established that advertising in Canada constitutes use with services. The Complainant has, since 1999, advertised on CIMX FM radio, a Canadian radio station. This constitutes "use" in accordance with "retail store services". Furthermore it was held in *TSA Stores, Inc v The Registrar of Trade-marks and Heenan Blaikie LLP*, 2011 FC 273 at para 21, that where a benefit is provided to Canadians through a website in association with a trade-mark, the mark has been used in Canada. In particular, retail store services were found to have been provided in Canada through services available on a website, even though there were no brick and mortar stores in Canada. Canadians have been able to obtain detailed product advice and information from the <guitarcenter.com> website and by telephone service since prior to 2002 and the GUITAR CENTER Mark is displayed on the website. This constitutes use in Canada.

48. Secondly, the Complainant argues it has obtained a reputation in Canada for its trade-marks. Canadian Courts have long recognized that trade-mark rights will accrue to foreign entities that have established a pre-existing reputation in Canada. It has been held that such rights are sufficient to

succeed in a passing off action and in a trade-marks opposition proceeding. Reference is made to *Orkin Exterminating Co v Pestco of Canada* (1985), 5 CPR (3d) 433 (Ont CA), aff'd (1984), 80 CPR (2d) 153 (Ont Sup Ct) and *Skinny Nutritional Corp v Bio-Synergy Ltd* (2012), 105 CPR (4th) 206 (TMOB).

49. In support of the long standing reputation for its trade-marks in Canada, the Complainant argues that its GUITAR CENTER Mark have gained notoriety worldwide including Canada due to the historic Hollywood Rock Walk located at its flagship outlet in Los Angeles, which includes the hall of fame honoring famous musical artists. This outlet opened in 1959 and is considered to be a top tourist attraction in Los Angeles, California. Further the Complainant has operated an active website available in Canada displaying the GUITAR CENTER Mark, has purchased direct Canadian radio advertising, which advertises the GUITAR CENTER Mark, has enjoyed regular cross-border shopping by Canadians in its US Stores and has purchased advertising in U.S magazines that are regularly distributed in Canada which promote the GUITAR CENTER Mark.

50. Based on the above, the Panel is satisfied that the Complainant had rights in the GUITAR CENTER Mark prior to the registration of the Disputed Domain Name by the Registrant and the Complainants continue to have such rights.

51. Accordingly, the Panel is satisfied that the Complainant has met the burden of proof in that regard.

Was the Disputed Domain Name registered in bad faith?

52. The Complainant relies on Paragraphs 3.5 (b) and (c) of the Policy in support of its claim.

Paragraph 3.5 (b)

53. Referring to Paragraph 3.5(b), of the Policy, the Complainant alleges that the Registrant registered the Disputed Domain Name in order to prevent the Complainant, 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 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.

54. Evidence shows that the Registrant is the registrant of twenty-two (22) dot-ca domain names, including GUITAR CENTER .CA and LA GUITARCENTER.CA, at least twenty of which are identical to, or confusingly similar to third party trade-marks in use prior to the registration date of the Disputed Domain Names. These include such famous Marks as FENDER, MARTIN and EPIPHONE.

55. Evidence further shows that the Registrant (operating as LA Musical Instruments) is also listed as the registrant of the domain name LAMUSIC.CA. An internet search reveals that this domain name is the

website for a company named "L.A. Music" a retailer of musical instruments located in Toronto, Canada owned by the Piperni Family. On its website, < www.lamusic.ca>, L.A. Music states that it is "a world renowned store and a major force in the Canadian music industry". Evidence shows that the Complainant's website, <www. guitarcenter.com> was in use since at least December 26, 1996. It is inconceivable that on the date of registration of the Disputed Domain Names; namely, May 16, 2002 and December 21, 2006 that the Registrant was not aware of the Complainant's famous GUITAR CENTER Mark.

56. Evidence further shows that at least three other CDRP Complaints have been successfully brought against the Registrant personally and/or against L.A. Music. In particular, reference is made to *Sam Ash Music Corporation v LAMUSIC*, Dispute No 00067 where SAMASH.CA was successfully recovered. In *Musician's Friend, Inc v LA Music*, Dispute No 00074 and in *Musician's Friend, Inc v Rob Piperni*, Dispute 00075, the Complainant's subsidiary, Musician's Friend, Inc successfully recovered the domain names MUSICIANSFRIEND.CA and MUSICIANSFRIENDS.CA.

57. Based on the above, the Panel is satisfied that the Complainant has satisfied its burden of proof of bad faith by the Registrant in accordance with Paragraph 3.5(b) of the Policy.

Paragraph 3.5(c)

58. Referring to Paragraph 3.5(c) of the Policy, the Complainant alleges that the Registrant registered the Disputed Domain Names primarily for the purpose of disrupting the business of the Complainant, who is a competitor of the Registrant.

59. The Registrant, Robert (Rob) Piperni, is a member of the Piperni Family who owns L.A. Music, which claims on its website to be "a world renowned store and a major force in the Canadian music industry". As the world's largest chain of musical instrument retailers in the world, the Complainant is a competitor of the Registrant. There are no active websites at either <www. guitarcenter.ca> or <laguitarcenter.ca>. The Registrant has however engaged in a pattern of registering domain names which consist of trade-marks of its competitors and suppliers. As noted in paragraph 57, at least three successful complaints have been launched against the Registrant.

60. The Panel is satisfied that the purpose for which the Registrant would register domain names which are confusingly similar to well-known marks of competitors is likely to disrupt the mark owners' business as consumers are likely to believe that the domain names belong to the Mark owner and accordingly disrupt its business.

61. For the reasons noted above, the Panel is satisfied that the Complainant has met the burden of proof that the Registrant registered the Disputed Domain Name in bad faith in accordance with Paragraph 3.5 (c) of the Policy.

Legitimate Interest of the Registrant

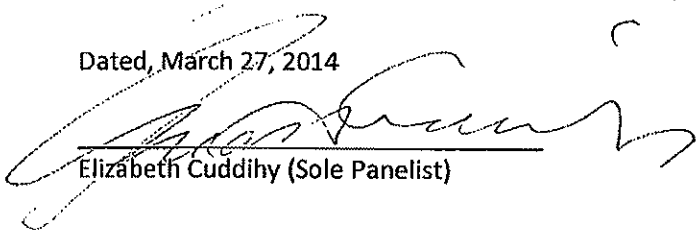
62. The Panel is satisfied that the Complainant has provided sufficient evidence that the Registrant does not have a legitimate interest in the Disputed Domain Names as required by Paragraphs 3.4 and 4.1(c). The Registrant has provided no Response to the Complaint and accordingly has not refuted such evidence.

63. Accordingly the Panel concludes that the Registrant has no legitimate interest in the Disputed Domain Names.

Decision

64. For the reasons set out herein, the Panel decides in favour of the Complainant and orders the transfer of the Disputed Domain Names to the Complainant forthwith.

Dated, March 27, 2014



Elizabeth Cuddihy (Sole Panelist)