

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

DECISION

Domain Name: cmi.ca

Complainant: Canadian Mortgages Inc.

Registrant: Sabah Kalache

Registrar: MyID.ca Inc.

Service Provider: Resolution Canada Inc.

Panelists: Yuri Chumak (Chair), Eric Macramalla, and Teresa Scassa

A. THE PARTIES

1. The Complainant is Canadian Mortgages Inc. (the “Complainant”).
2. The Registrant is Sabah Kalache (the “Registrant”).

B. DISPUTED DOMAIN NAME & REGISTRAR

3. The disputed domain name is cmi.ca (the “Domain Name”) and the Registrar is MyID.ca Inc.

C. PROCEDURAL HISTORY

4. This is a dispute resolution proceeding initiated pursuant to the *CIRA Domain Name Dispute Resolution Policy* (Version 1.3) (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 September 25, 2020.
6. The Registrant filed a response (the “Response”) on October 15, 2020.
7. The Complainant filed a reply (the “Reply”) on October 20, 2020, in accordance with Paragraph 11.1 of the CIRA Domain Dispute Resolution Rules.
8. On October 25, 2020, 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

9. The Complainant is an Ontario corporation. The Panel is therefore satisfied that the Complainant meets the presence requirement in accordance with paragraph 2(d) of the CIRA *Canadian Presence Requirements for Registrants*, Version 1.3.

E. THE POSITIONS OF THE PARTIES

The Complainant's Position

10. The Complainant is a mortgage brokering business based in Ontario. The Complainant's services include managing investment funds, issuing mortgages, issuing loans, managing investment accounts, managing real estate and real estate brokerage services.
11. The Complainant has a common law trademark for CMI attained through years of use. CMI is an acronym of "Canadian Mortgages Inc." and is a central part of the Complainant's brand identity, including its logo. The Complainant has been in business since 2005 and has 39 full-time employees and contractors. Since 2008, CMI has brokered over 5,000 mortgages, valued in the aggregate at over \$1,000,000,000.
12. The Domain Name was first registered on March 7, 2018, without the permission of the Complainant, and made to resolve to a website indicating that it was available for sale, alongside pay-per-click advertisements. At the time of the Complaint, the Domain Name resolved to a blank page however the Domain Name was available for sale through a third-party vendor (Afternic) for \$25,000 USD.
13. After contacting the registrant via Afternic, the Complainant communicated with a person named Fadi purporting to act on behalf of the Registrant. Fadi and the Complainant's counsel exchanged correspondence, but the parties were unable to resolve the dispute.
14. The Complainant asserts that the Domain Name is confusingly similar to the unregistered trademark CMI. The Registrant does not have a legitimate interest in the Domain Name as there is no relationship between the parties, it was not used in association with a business, it is not clearly descriptive, it is not a generic name, it is not used with a non-commercial activity, it is not a legal name, and finally it is not a geographical location. Further, the Registrant registered the Domain Name to sell it for a profit to the Complainant and has also engaged in a pattern of unauthorized domain name registrations by virtue of its registration of another domain name, namely, algebra.ca.
15. The Complainant accordingly has, based on the above submissions, requested the transfer of the Domain Name to it.

The Registrant's Position

16. The Registrant is Mrs. Sabah Kalache, age 72, a Canadian citizen currently residing in Marseille, France.
17. Mrs. Kalache is an entrepreneur and has a large family in Canada. In or about 2017, she identified a business opportunity under the name "Canadian Math Institute".
18. Mrs. Kalache purchased the Domain Name, along with algebra.ca, another domain name for her prospective math business, on January 31, 2019, from MyID.ca. The Domain Name was purchased for CAD \$16,000. The Domain Name consists of the acronym CMI and was to be used in the proposed business venture.
19. In the summer of 2019, Mrs. Kalache contacted MyID.ca for an estimate of the costs to develop the CMI.ca website. The quote came to CAD \$305,000. Subsequently, Mrs. Sabah put the project on hold until she figured out how to proceed in a more affordable manner. Later on, she decided to offer the Domain Name for sale through Fadi, her associate, using a vendor called Afternic. Any sponsored links on the landing page were created by Afternic without her input and without earning revenue. She received a number of offers for the Domain Name.
20. On June 1, 2020, the Registrant received a message from the Complainant via CIRA's online messaging system. The Complainant and Fadi engaged in a discussion but were not able to come to terms regarding the acquisition of the Domain Name. The Registrant maintains that she never heard of the Complainant prior to the Complainant's solicitation, that she invested a significant amount to purchase the Domain Name for her math business, and that CMI is not a distinctive mark. The Registrant indicates that the Complainant has only recently applied to register a trademark in Canada. There are three other Canadian trademark registration for marks containing CMI owned by third parties.

F. DISCUSSION & REASONS

21. 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 OF THE POLICY

22. As per paragraph 3.2(a), a complainant may rely on a common law trademark when seeking to establish the requisite Rights as prescribed by the Policy.
23. The Complainant has persuaded us that it has used CMI as a trademark prior to January 31, 2019 (the date the Domain Name was acquired), including the word elements of a design mark, for the purpose of distinguishing the wares, services or business of the Complainant from the wares, services or business of others.
24. 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.
25. 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).
26. In this case, the Domain Name is identical to the trademark “CMI”. This is, in our view, sufficient for us to make a finding of confusing similarity.
27. The Panel concludes that the Domain Name is confusingly similar with the Complainant’s trademark, given that the Domain Name is identical to the Complainant’s trademark in appearance, sound and in the ideas suggested so as to be likely to be mistaken for the trademark.

Conclusion – Confusing Similarity

28. The Panel finds that the Complainant has satisfied the requirements enumerated under paragraph 3.1 of the Policy.

“BAD FAITH REGISTRATION” – PARAGRAPH 3.5 OF THE POLICY

29. The Complainant has alleged that the Domain Name was registered in bad faith pursuant to paragraphs 3.5(a) and (b).
30. Subparagraph 3.5(b) allows a finding of bad faith if the Registrant acquired the Domain Name in order to prevent the Complainant from registering the Mark as a Domain Name, provided that the Registrant engages in a pattern of such behavior.
31. In this case, the registration of the Domain Name has prevented the Complainant from registering its “CMI” mark as a .ca domain name. Furthermore, evidence was adduced by the Complainant that the Registrant has registered and owns at least one other domain name. However, we find that the Complaint has not substantiated its contention that the Registrant’s other registered domain name, algebra.ca, is identical to or confusingly similar with any trademark of others.

32. Therefore, the Panel is not able to conclude that the Registrant has registered the Domain Name to prevent the Complainant from registering the Mark as a domain name and that the Registrant has engaged in a pattern of registering domain names to prevent other persons who have rights in those marks from registering those marks as domain names, contrary to Subparagraph 3.5(b) of the Policy.
33. Turning to Subparagraph 3.5(a), this section allows a finding of bad faith if a Registrant acquired the Domain Name primarily for the purpose of selling, renting, licensing or otherwise transferring the Domain Name 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 acquiring the registration.
34. In this case, it is difficult for the Panel to conclude that the Registrant's acquisition of the Domain Name was primarily for the purpose of making a profit through a resale to the Complainant or a competitor. Substantial evidence was led by the Registrant, including detailed invoices as well as detailed quotations, regarding an intention to create a math business, although the Registrant concedes that the purpose shifted to sell the Domain Name at some point thereafter. In reply, the Complainant argued forcefully that the math business was a "sham", that the Registrant's passport redacted her full surname (Harir Kabache), and her address was not correctly listed in the registration. Some Panel members expressed doubt as to the plausibility of the Registrant's explanation. Despite these inconsistencies, however, when considering the existence of many other users of "CMI" in the marketplace, we are not able to conclude that the Registrant's primary purpose was to profit from the Complainant's reputation. We would take a different view if the Complainant had established that CMI was a famous, well-known, or a highly distinctive mark.
35. Therefore, the Panel is not able to conclude that the Registrant acquired the Domain Name primarily for the purpose of selling, renting, licensing or otherwise transferring the Domain Name 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 acquiring the Domain Name, contrary to Subparagraph 3.5(a) of the Policy.
36. The Panel notes that this case does not fit within the enumerated examples of bad faith in paragraph 3.5 of the Policy, but these categories are not necessarily exhaustive. Panels can assess other factors in making determinations of bad faith. With that said, based on the record presented and given the inherent difficulty with making determinations of truth in such summary proceedings, we do not believe that the Registrant sought to unfairly profit in some fashion from the Complainant's reputation. In our view, offering a domain name for resale (including for a profit) does not, on its own, lead to the conclusion that a registrant registered a domain name in bad faith with the primary purpose of selling it to a trademark owner. Consistent with the UDRP consensus view, holding a domain name, even for resale, consisting of an acronym can be *bona fide* and is not *per se* illegitimate under the Policy. The Panel distinguishes the previous decisions in *acu.ca*, *sascu.ca*, and

rfrk.ca because no response with a credible explanation for registration was filed in those prior cases.

Conclusion – Bad Faith Registration

37. The Panel finds that the Complainant has not satisfied the requirements enumerated under paragraph 3.5(a) or (b) of the Policy.

“LEGITIMATE INTEREST” – PARAGRAPH 3.4 OF THE POLICY

38. Given that the Panel has found no bad faith on the part of the Registrant, we need not consider the elements in paragraph 3.4 of the CDRP relating to legitimate interest, given that these are contingent upon a finding of bad faith. However, we agree that for a registrant to have a legitimate interest in a domain name comprising an acronym, the registrant’s evidence supporting the explanation for their registration (and any use) of the domain name should indicate a credible and legitimate intent which does not capitalize on the reputation and goodwill inherent in the complainant’s mark.

Conclusion – Legitimate Interest

39. Accordingly, the Panel finds that Registrant has established the existence of a legitimate interest in the Domain Name.

DECISION & ORDER

40. For the reasons set out herein, the Panel decides this dispute in favour of the Registrant.

Dated at Toronto, Ontario, Canada, this 12th day of November, 2020.

/Yuri Chumak/

Yuri Chumak (Chair) for the Panel
Eric Macramalla
Teresa Scassa