



**CANADIAN INTERNATIONAL INTERNET DISPUTE RESOLUTION CENTRE**  
**DOMAIN NAME DISPUTE**  
**ADMINISTRATIVE PANEL**  
**DECISION**

**CIIDRC case number: 14476-CDRP**

**Decision date: January 21, 2021**

**Panel: Gerald M. Levine, Ph.d (Chair), Leslie E. Maerov, FCI Arb, David Wotherspoon**

**Complainant: Nalge Nunc International Corporation**

**Registrant: Mark Wilson**

**Domain name in dispute: nalgene.ca**

**PROCEDURAL HISTORY**

According to the information provided by the CIIDRC:

1. Complainant filed a Complaint with respect to the disputed domain name in accordance with the Canadian Dispute Resolution Policy (the "Policy") on December 9, 2020 (the "Complaint");
2. CIIDRC as service provider reviewed the Complaint and by letter dated December 11, 2020 found it administratively compliant. It forwarded a copy of the Complaint to Registrant by email on that date. By the same communication, CIIDRC informed the parties that in accordance with Rule 4.4 the date of commencement of the Proceeding was December 11, 2020 and that any Response had to be filed by December 31, 2020;
3. The Registrant filed its Response, in compliance with the Policy and Resolution Rules, to CIIDRC on January 4, 2021 (the "Response");
4. On January 14, 2021, CIIDRC appointed Leslie E. Maerov, David Wotherspoon as panelists and Gerald M. Levine as Chair of the Panel. The panelists have signed and forwarded to CIIDRC their Acceptances of Appointment together with Statements of Independence and Impartiality.
5. CIIDRC forwarded the Complaint and Response to the Panel on January 14, 2021.
6. On January 15, 2021, Complainant submitted a Reply. As the Reply addresses claims asserted for the first time in the Response, the Panel accepted it.
7. The Panel has reviewed all of the material submitted by Complainant and is satisfied that it is an eligible complainant under the Policy and the Rules by virtue of its ownership of the trademark

Domain Name: Nalgene.ca

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NALGENE, registration number TMA 125103 registered with the Canadian Intellectual Property Office on January 19, 1962, and TMA 379381 registered with the Canadian Intellectual Property Office on February 1, 1991.

8. The Panel is unaware of any other proceedings which may have been undertaken by the parties or others in the present matter.

### **FACTS ALLEGED BY THE PARTIES**

The facts set out below are taken from the parties' pleadings.

1. Complainant first registered the trademark NALGENE in Canada in 1962 and has used it for at least 55 years prior to the registration of the Registrant's domain name, <nalgene.ca> on March 26, 2017.
2. Registrant operates an online retail store trading under name of "Colonel Mustard." It redirects the disputed domain name to an interior page of Colonel Mustard at [https://www.colonelmustard.ca/Nalgene\\_c\\_30.html](https://www.colonelmustard.ca/Nalgene_c_30.html) which offers a variety of NALGENE products.
3. Registrant states it purchases the NALGENE products from Red Pine Outdoor Equipment, Inc. ("Red Pine"). Complainant acknowledges in the Reply that Red Pine is its licensed top-level distributor in Canada for its Nalgene-formative products.
4. Complainant does not dispute that the NALGENE products offered for sale on the redirected page are genuine.
5. Registrant contends that it is "an authorized Canadian Nalgene dealer/distributor."
6. In its Reply, Complainant asserts that Registrant is neither licensed nor authorized as a distributor of its products and further Red Pine has no right to register for itself, or to authorize others to register, any Nalgene-formative domain names.
7. Complainant contends that Registrant offered to sell the disputed domain name to it for valuable consideration in excess of its actual costs in registering and acquiring it. The Registrant acknowledges conversations with Red Pine but contends that it made the offer after Complainant first approached it and discussed purchasing the domain name. Complainant denies any such discussions.
8. Complainant asserts that "when [it] discovered the Registrant's bad faith registration of <nalgene.ca>, its distributor Red Pine . . . requested that the Registrant return the domain name to the Complainant—its rightful owner."

## CONTENTIONS OF THE PARTIES

### A. Complainant

The facts set out below are taken from the Complaint and are supported by the documentary evidence attached in the Complaint and Response Schedules.

1. Complainant is a United States corporation formed under the laws of the State of Delaware. It offers its products in Canada through its top-level licensed distributor Red Pine.
2. In response to Registrant's contention that "his business . . . is 'an authorized Canadian Nalgene dealer/distributor'" Complainant states that "this is inaccurate insofar as it implies any form of agreement or express authorization." Further, "[w]hile Colonel Mustard does distribute (i.e. retail or sell) Nalgene products, there is absolutely no relationship between the Registrant and the Complainant. The Registrant merely purchases and resells genuine Nalgene brand products from the Complainant's actual authorized Canadian distributor. . . ."
3. Complainant concludes that "Registrant's status as a non-exclusive retailer neither grants nor implies any authorization to secure domain names corresponding to that brand."
4. Complainant states that Registrant has registered and is using the Domain Name in bad faith for commercial gain and to benefit from the goodwill and notoriety associated with Complainant's Mark.
5. For these reasons, Complainant contends that Registrant lacks legitimate interests in <nalgene.ca> and registered and is using it in bad faith.

### B. Registrant

1. Registrant contends, first, that it is an authorized distributor/dealer of Complainant and second that the distributor/dealer business model that Complainant utilizes "does indeed allow the use of trademarks and logos in order to assist with the sale of the manufacturer's (Nalgene's) products."
2. Registrant contends that "[a]s a distributor or dealer of low-value products it would be impractical and unenforceable to only sell that brand of products. In fact, Red Pine Outdoor Equipment, Inc. distributes many competing brands to Nalgene and yet this is clearly deemed to be acceptable, therefore it must be deemed to be acceptable for the Registrant too."
3. Registrant contends further that "[a]s a dealer/distributor we do our very best to ensure that Nalgene customers get a brand-centric experience within the constraints of a multi-brand dealer/distributor: customers who type in nalgene.ca into their browser are taken exclusively to our Nalgene branded page."
4. Registrant concludes that "[a]s a dealer/distributor of Nalgene products our sales equate to sales for Nalgene and therefore both parties profit from the arrangement."

## REMEDY SOUGHT

Complainant requests transfer of the disputed domain name <nalgene.ca>.

## DISCUSSION AND FINDINGS

### A. Eligibility

The Panel finds that Complainant satisfies section 2(q) of the Canadian Presence Requirements and paragraph 1.4 of the Policy in view of the fact that it is the owner of the Canadian registered trademark NALGENE.

### B. Requirements

In accordance with Paragraph 3.1 of CDRP, the onus is on the Complainant to prove:

1. That the Domain Name is Confusingly Similar to a trademark or service mark in which the Complainant has rights:
2. That the Registrant has no legitimate interests in the Domain Name; and
3. That the Domain Name has been registered in bad faith.

The Panel considers each of these requirements in turn.

### Analysis

#### CONFUSINGLY SIMILAR – PARAGRAPH 3.3 OF THE POLICY

1. Paragraph 3.3 of the Policy provides that a domain name will be considered confusingly similar to a trademark if the domain name “so nearly resembles the Mark in appearance, sound or the ideas suggested by the Mark as to be likely to be mistaken for the Mark.”
2. Registrant’s argument that “any confusing similarity is ameliorated by the suffix such that a Canadian would know that typing in a .ca domain name would take them to a site specific to Canada” misconstrues the function of the top level domain. In comparing the domain name with the mark to determine whether as alleged the domain name is confusingly similar to it, Panels disregard the .ca extension as merely a functional element of the Internet Protocol address and focus solely on the second level domain.
3. Here, Complainant alleges that <nalgene.ca> is confusingly similar to its NALGENE trademark as it is identical to it, excepting the .ca extension. See *Birkenstock Sales GmbH v Vytas Klimavicius/Litamber Media Corporation*, CIRA Decision No. 437 at para 15 (holding that “[t]he Complainant is the owner of the registered Canadian trade-mark in which the exact word component is included within the Domain Name.).
4. The Panel accepts Complainant’s contention that the domain name and mark are confusingly similar and notes that Registrant does not, indeed cannot deny that the second level domain is

identical to the trademark since it purposely registered, openly uses, and redirects <nalgene.ca> to an interior page of its Colonel Mustard website.

5. The Panel finds that Complainant has satisfied its burden under subparagraph 4.1(a) of the Policy.

#### **LEGITIMATE INTEREST – PARAGRAPH 3.4 OF THE POLICY**

1. Paragraph 3.4 of the Policy provides a list of six non-exhaustive circumstances under which the Registrant may establish a legitimate interest in the Domain Name:
  - (a) Domain Name was a Mark, the Registrant Used the Mark in Good Faith and the Registrant had Rights in the Mark (Subparagraph 3.4(a)).
  - (b) Use of Clearly Descriptive Name or Generic Name (Subparagraphs 3.4(b) and (c)).
  - (c) Use of Domain Name for Non-Commercial Activity (Subparagraph 3.4(d)).
  - (d) Use of Legal Name of the Registrant (Subparagraph 3.4(e))
  - (e) Geographical Name (Subparagraph 3.4 (f)).
2. Each of these sub-paragraphs of paragraph 3.4 describes a situation which, if established, would give the Registrant a legitimate interest in the domain name. Complainant's burden, therefore, is to show that the Registrant cannot establish any of the successive tests in the subparagraphs of 3.4. The Panel's task is to determine whether the evidence as a whole shows on the balance of probabilities that the Registrant has a legitimate interest in the domain name.
3. Once the Panel determines that a complainant has established a firm basis that a Registrant lacks rights or legitimate interests, the burden shifts to Registrant to demonstrate that it does have legitimate interests.
4. Here, Complainant has established, and Registrant does not deny, that Registrant has no trademark right to <nalgene.ca>. Complainant has also established that it has neither licensed nor authorized Registrant to register or to use its mark. Registrant adduces no proof to the contrary.
5. Rather, Registrant seeks to justify the registration and use of the domain name on business grounds. It contends that it has legitimate interests by virtue of its selling genuine Nalgene products as a dealer/distributor of such products. This presumes that a distributorship can be self-created. However, by itself, selling genuine Nalgene products purchased wholesale from Complainant's Canadian distributor cannot elevate Registrant from a retailer of Complainant's Nalgene products to the level of an authorized distributor.
6. Under subparagraph (ii), Registrant has not demonstrated that the word "Nalgene" is either "clearly descriptive" or a "generic name" for the products manufactured by Complainant. In fact, the term "Nalgene" appears to be coined. Consequently, Registrant cannot argue this circumstance either as a basis for establishing a legitimate interest.

7. As Registrant admits, it uses <nalgene.ca> to redirect it to its own website at [https://www.colonelmustard.ca/Nalgene\\_c\\_30.html](https://www.colonelmustard.ca/Nalgene_c_30.html). Therefore, Registrant is not using the domain name for any non-commercial activity.
8. Finally, “Nalgene” is not the legal name of Registrant and nor is “Nalgene” a geographical name. By geographical, the Policy refers to the composition of the second level domain, not the top level domain as Registrant seems to imply.
9. As none of the circumstances set forth in Paragraph 3.4 support rights or legitimate interests in Registrant’s favor it follows that Complainant succeeds on this requirement. However, Paragraph 3.4 instructs the Panel that the listed circumstances are “nonexhaustive,” so it will examine two other Registrant arguments. First, Registrant contends that as an authorized dealer/distributor it has a right to use Complainant’s mark. This argument suggests, although not fully developed, a lawful nominative use of <nalgene.ca>.
10. Complainant has anticipated this argument by citing *AL Fakher international Co. v International Foods & Resources Inc*, CDRP Decision No. 396 at page 9: “the Registrant is creating the false impression that it is an official or authorized dealer of the Complainants. The Registrant could not rely on the principles in *Oki Data Americas, Inc., v. ADS, Inc.* WIPO Case No. D2001-1903.” The principles *Al Fakher* alludes to in *Oki Data* are to certain tests that if established could support a legitimate interest even if the registrant were not an authorized distributor. To fall within the scope of the *Oki Data* test, the composition of the domain name must independently signal a business distinguishable from the owner of the mark. In *Oki Data*, for example, the Registrant registered <okidataparts.com>. Here, there is no distinguishable business separate from that of the mark owner since the domain name is identical to Complainant’s mark.
11. In addition, one of the *Oki Data* tests is that “[t]he Registrant must use the site to sell only the trademarked goods.” When an Internet user visits the Colonel Mustard website, although it lands on a dedicated Nalgene webpage, it is invited to visit other brands. It is obvious to even the casual observer that Registrant’s primary purpose of registering and using the disputed domain name, was to attract Internet users to its website through the decoy of registering marks of well-known brands.
12. To bolster its argument that its business model justifies the registration of the disputed domain name, Registrant refers to Red Pine’s “distribut[ion] [of] many competing brands to Nalgene.” It asserts that since “this is clearly deemed to be acceptable, therefore it must be deemed acceptable for the Registrant too.” This argument is also unavailing because the issue here is not what Red Pine does or may be permitted to do under its distribution agreement (none of which is relevant to determining Registrant’s legitimate interests), rather, the issue is whether Registrant itself has a legitimate interest in the disputed domain name. As a general proposition, Registrants cannot simply shoehorn themselves into legitimacy by exploiting the power of an owner’s mark for the sole purpose of attracting Internet users to their websites.

13. Registrant's second argument, more implicit than actually spelled out, is an equitable defense of acquiescence. It states that "[p]resumably Nalgene would have been made aware that Colonel Mustard was a dealer/distributor in 2014 and yet there has been no communication from Red Pine Outdoor Equipment, Inc. to suspend our appointment and Colonel Mustard continues to purchase Nalgene product on an almost weekly basis." First of all, there is no evidence that Red Pine made "an appointment." Registrant is not a sub-distributor, nor has the Registrant established that Red Pine has the authority to appoint one.
14. Therefore, in this regard too Registrant misapprehends its evidentiary burden. Complainant has alleged that when it became aware of Registrant's infringing registration and use of <nalgene.ca> it instructed Red Pine to have Registrant return the domain name to "its rightful owner." Where a registrant is using an owner's mark without permission and in violation of any express authority, where there is no business relationship between the parties, and where a mark owner has given notice that the domain name is unlawful, it is for the Registrant to come forward with an explanation supporting its claim of legitimacy by acquiescence. This Registrant has not done so. Allegations of wishful thinking are not evidence.
15. Since Registrant does not meet any of the enumerated circumstances set out in paragraph 3.4 of the Policy, nor does it establish a different basis than those enumerated in paragraph 3.4, to establish a legitimate interest in the Domain Name, it follows that Complainant has satisfied its burden of proof that Registrant lacks a legitimate interest in <nalgene.ca>.

#### **REGISTRATION IN BAD FAITH – PARAGRAPH 3.5 OF THE POLICY**

16. Paragraph 3.5 provides that "[f]or the purposes of paragraphs 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." The Panel finds two circumstances particularly relevant to the determination in this matter, namely:
  - (a) the Registrant registered the domain name, or acquired the, 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; or
  - (b) 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."

17. In proving Registrant registered <nalgene.ca> in bad faith, Complainant has adduced some evidence under subsection (a) that Registrant offered to sell the domain name to it for an amount “in excess of the Registrant’s actual costs in registering the domain name.” Complainant cites to past CDRP decisions that have held that “an offer to transfer for a value as low as \$1,000 is sufficient to constitute a profit. See *Ford Motor Company of Canada, Limited v Canadian Model Trains Inc.*, CIRA Decision No.36 at paras 23, 39 (<fordcanada.ca>). Registrant does not deny that it had discussions with Red Pine, but claims that it made a “tongue-cheek request for USD 25,000 when pressed so as not to appear overly rude or dismissive.”
18. While the Panel concurs with the view expressed in *Ford Motor Company*, it finds in this particular instance that the evidence is equivocal on the question as to whether the domain name was acquired “primarily for the purpose” of selling it to Complainant. The Panel does not discount the probability that Registrant’s primary motive for registering the domain name was to operate an online retail store selling products of many manufacturers on its Colonel Mustard website each having their dedicated webpages (which itself raises bad faith issues as to other mark owners). The Panel finds it more likely that when Red Pine contacted Registrant to relinquish the disputed domain name Registrant saw an opportunity to monetize <nalgene.ca>. Since the offer was not Registrant’s primary purpose in registering <nalgene.ca> it does not support bad faith alone although its conduct remains a factor.
19. With regard to subsection (d), however, Complainant has adduced evidence that Registrant is intentionally attracting Internet users to its website for commercial gain. The fact that the domain name resolves to a dedicated Nalgene webpage does not excuse Registrant from bad faith because as already noted Internet users are invited to inspect an extensive menu of brands. In effect, Registrant is using Complainant’s mark as an engine for attracting Internet users to its website with the result of “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.”
20. Registrant’s argument that its business model gives it a right to register and use Complainant’s mark would, if accepted, and as Complainant properly notes, “permit any retailer in Canada to register domain names corresponding to all the third party brands they sell in order to direct traffic to their own website.” Complainant underscores that even its actual “Canadian top-level distributor – Red Pine – has no right to register for itself, or to authorize others to register, any Nalgene-formative domain names and has never done so.” This being so, even more so is the registration of <Nalgene.ca> abusive of Complainant’s rights.
21. Moreover, if such registration and use of a mark were lawful, it would, as Complainant further notes, and which the Panel accepts, “give an unfair advantage to one retailer to the exclusion of all other retailers of the same product.” Registrant has been forthright in its purpose in registering <nalgene.ca>, but this purpose has no lawful basis. It is both an infringement of Complainant’s



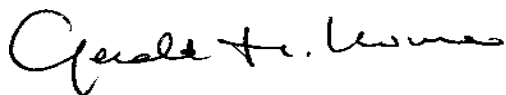
rights to control the use of its mark and a violation of the Policy. See *Emerson-Vulcan Emerson Vulcan Holding LLC v Thompson*, CIRA Dispute No. 00383 at page 11 (finding that “the intention of the Registrant was to register the Domain Name because it reflected the Complainants famous trademark and brand and to use it for a purpose consistent with its own interests. . . . That conduct constitutes bad faith registration.”). See also *SAP SE v 034562 BC Ltd*, CDRP Decision 418 at page 11 for the proposition that “surrounding circumstances may be considered in assessing whether the disputed domain name has been registered in bad faith.” The surrounding circumstances in this case include the exploitation of numerous other well-known and famous marks each designed to direct traffic to separate dedicated webpages in Registrant’s online retail store.

### DECISION and ORDER

The Panel finds that the all three elements of the Policy have been made out and that the Complainant is entitled to the relief it seeks. Therefore, and in accordance with Paragraph 4 of CDRP, Paragraph 12 of the Resolution Rules, the Panel orders that <nalgene.ca> be transferred to Complainant.

Made as of January 21, 2021.

#### SIGNATURES OF PANEL




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Gerald Levine, Ph.D (Chair)




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Leslie E. Maerov, FCI Arb.




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David Wotherspoon