

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

Domain Names: SCOTIABANKTHEATRE.CA and
SCOTIABANKTHEATRES.CA

Complainant: The Bank of Nova Scotia

Registrant: Mario Rayo

Registrars: Netfirms, Inc.

Panelists: David Lametti

Service Provider: ResolutionCanada

DECISION

A. The Parties

1. The Complainant is The Bank of Nova Scotia, a Canadian chartered bank incorporated under the Bank Act and with business interests throughout Canada and the world. Its head office is in Halifax, Nova Scotia and its executive offices are in Toronto. The Complainant is represented by Arnold Ceballos, of the Legal Department, Intellectual Property Legal Counsel of The Bank of Nova Scotia in Toronto, Ontario. The Complainant satisfies Canadian Presence requirements under s. 2(q) of the Policy.

2. The Registrant is Mr Mario (Osvaldo) Rayo with a postal contact address of 104 - 660 Eglinton Avenue W., Toronto, Ontario, M5N 1C3.

B. The Domain Name and Registrar

3. The domain names at issue are < SCOTIABANKTHEATRE.CA > and <SCOTIABANKTHEATRES.CA >. The domain names are registered with Netfirms, Inc. of Toronto, Ontario.

C. Procedural History

4. The Complainant submitted this Complaint to the Domain Name Dispute Resolution Provider, Resolution Canada, on 22 January 2008. The Provider attempted to serve notice of the Complaint to the Registrant as required by paragraph 4.3 of the *CIRA Domain Name Dispute Resolution Rules* ["Rules"] by courier and by telephone, all of which is documented by the Provider. The Registrant did not respond to requests to receive the documentation of the Complaint or to provide a forwarding address. No Response to the Complaint was received from the Registrant. The Provider selected the single panelist according to the process outlined in the Rules.

D. Panel Members' Impartiality and Independence Statements

5. As required by paragraph 7.1 of the Rules, the panelist has declared to the Provider that he can act impartially and independently in this matter as there are no circumstances known to him which would prevent him from so acting.

E. Factual Background

6. The facts of this dispute are as follows. The Bank of Nova Scotia ("the Bank"), chartered in 1832, is a well-known Canadian bank with both a significant Canadian and international presence in the marketplace. It is widely known as "Scotiabank" and has registered the mark SCOTIABANK as well as various permutations of this mark comprising almost 20 trademarks in Canada and over 400 trademarks around the world, for its wide range of products and services in the banking and financial industries.

7. The Complainant also has registered domain names in < scotiabank.ca > and <scotiabank.com >.

8. Early in 2007, the Bank began to acquire naming rights to large movie theatres in conjunction with Cineplex, a major cinema operator in Canada, in major centres across Canada: Toronto, Montreal, Vancouver, Edmonton, and Calgary. These have been renamed "Scotiabank Theatres", extending the use of the SCOTIABANK mark to these movie-related products and services, including a customer loyalty or rewards scheme. In addition to large amounts of money being invested by the Complainant in acquiring these naming rights, this venture was announced with press releases and the associated publicity surrounding it.

9. On 1 February 2007, approximately one week after the announcement of the renaming of the movie theatres to "Scotiabank Theatres", the Registrant registered the domain names at issue.

10. On 6 September 2007, the Registrant sent an email to the Complainant informing it that he held the registrations to domain names in question. The Registrant requested an "expression of interest" in the domain names from the Complainant, for names which could be "of great value" to the Complainant and Cineplex and which were "receiving considerable increases in web traffic". The Registrant suggested that he would welcome from the Complainant "any ideas that would help support business" towards the Toronto International Film Festival. The email was sent on the day the 2007 edition of the Toronto International Film Festival opened in Toronto. This Toronto film festival is a relatively important international film festival, and the Scotiabank Theatre in Toronto was to play a role in the festival's screenings.

11. An email sent by the Complainant to the Registrant on 17 September 2007 went unanswered.

12. The domain names in question did not resolve to active websites. After the Complainant initiated parallel proceedings against the same Registrant under the UDRP for the .com analogues to the domain names in question, the following message appeared on the websites to which the domain names resolved: “The website you have requested has been cancelled.”

13. The Complainant initiated proceedings under the CIRA Policy and Rules on 24 January 2008. The Complainant was successful in the parallel proceedings under the UDRP and had the .com analogues to the domain names in question transferred to it.

14. As of 1 February 2008, the domain name registrations to the domain names at issue expired.

F. CIRA Domain Name Dispute Resolution Policy Requirements

15. The *CIRA Domain Name Dispute Resolution Policy* [“Policy”] sets out at paragraph 4.1 what the Complainant must establish in order to successfully prove the complaint:

To succeed in the 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 3.7;

and the Complainant must provide some evidence that:

(c) the Registrant has no legitimate interest in the domain name as described in paragraph 3.6.

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 . . .

16. The Respondent has made no reply. The Policy and Rules nevertheless allow this complaint to proceed, and I shall proceed by holding the Complainant to the usual burdens of proof and argument incumbent on it in such cases.

G. Is the Registrant’s Domain Name Confusingly Similar to the Complainant’s Mark?

1) The Complainant’s Marks

17. Paragraph 3.2 of the Policy includes the following in the definition of what constitutes a “mark” for the purposes of the Policy:

A “Mark” is:

- (a) a trade-mark . . . or a trade name that has been used in Canada . . . for the purpose of distinguishing the wares, services or business of that person . . . from the wares, services or business of another person; [and]
- (c) a trade-mark . . . that is registered in CIPO . . .

18. The Complainant has shown ample evidence of its current ownership of the registered mark SCOTIABANK in Canada.

2) “Confusingly Similar”

19. Paragraph 3.4 of the Policy defines “confusingly similar” in the following terms:

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 to be mistaken for the Mark.

20. SCOTIABANK is a well-known and long-established mark in Canada, and increasingly it is becoming as well-known internationally. It is used for a wide variety of financial products and services. It is strong enough to raise a connection in the mind of the average consumer, as a matter of first impression and based on the appearance, sound or ideas suggested by the mark, between the Complainant and the domain names in question, notwithstanding the addition of the descriptive words “theatre” or “theatres”. The simple addition of a descriptive word may not be enough to negate the confusing similarity: *General Motors Acceptance v. Bob Woods*, CIRA-00051. Indeed, it might very well be strong enough to defeat *any* attempt by someone other than the Complainant or its licensees to link it to another product or service, especially in Canada.

21. In any event, and of more significance to this proceeding, the Complainant has deliberately chosen to extend the scope of the mark to movie theatres, and it has done so with significant investment and marketing fanfare and linked as it is to a leading cinema chain in Canada. This initiative has generated almost instantaneous goodwill in the mark as applied to products and services surrounding movie theatres, even without a new, specific extension of the mark for these products of services. There is now, in effect, a protection at common law for SCOTIABANK coupled with theatres. Thus the addition of the descriptive words “theatre” or “theatres” to the original mark is clearly confusing, as they are identical with the Complainant’s theatres.

22. Under these circumstances, it would be difficult, if not impossible, for a reasonable internet user to not be confused by the Registrant’s domain names. On the contrary, such a person would assume quite reasonably that the domain names were linked to the Complainant’s business activities.

23. Interpreting “confusingly similar” under the Policy, the Panel finds that the Registrant’s domain names < SCOTIABANKTHEATRE.CA > and < SCOTIABANKTHEATRES.CA > are confusingly similar to the Complainant’s mark.

H. Was the Registration of the Domain Name Made in Bad Faith?

24. In order to succeed, the Complainant must show, on the balance of probabilities, that the Registrant registered the domain name in bad faith. Paragraph 3.7 of the Policy states that the Registrant will be considered to have registered the domain name in bad faith, if and only if one of the following three conditions is met:

(a) the Registrant registered the domain name . . . primarily for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant [or others related to or competing with the Complainant] for valuable consideration in excess of the Registrant's actual costs in registering the domain name . . . ;

(b) the Registrant registered the domain name . . . in order to prevent the Complainant [or others related to the Complainant] 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; or

(c) the Registrant registered the domain name . . . 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.

25. It is now trite to say that a panel should take into account all surrounding circumstances and draw common sense inferences when delving into the matter of bad faith, given that it is virtually impossible to conclusively show actual bad faith. Nevertheless, one should proceed responsibly.

26. On the facts of and evidence adduced in this dispute paragraph 3.7 (a) appears to be applicable.

27. The timing and actions of the Registrant make it obvious that his intent was to capitalize on the high-profile move by the Complainant into the movie theatre industry – a big marketing splash – by registering the domain names and attempting to resell them to the Complainant. While the offer email is somewhat ambiguous in not directly offering to sell the names back to the Complainant, it does convey clearly enough the message that the domain names would be of great value to the Complainant and that the Registrant would entertain offers. Whether this offer was extended to the benefit of the film festival or the Registrant seems to me to be of little relevance given the wording of paragraph 3.7(a). The parallel arbitration under the UDRP and registrations of the analogous .com domain is also indicative of a pattern of behaviour in this regard. Thus even without an explicit offer of sale, in this context the intentions of the Registrant to attempt to re-sell the names to the Complainant are clear.

28. Further, when linked to the attempt to resell the domain names, the fact that the domain names never resolved to active websites would quite reasonably appear to

reinforce the conclusion that the re-sale for a profit was the Registrant's sole purpose. The Complainant also points out elsewhere that the Registrant must have been aware of the SCOTIABANK mark, and of the move by the Complainant into the movie theatre business. The reasonable inference to be drawn by the Registrant's letter to the Complainant is that the Registrant was well aware of the reputation of the Complainant's mark, as the corresponding domain name would be of "great value".

29. Finally, the Registrant did not reply to the letter from the Complainant after the Complainant was notified of the Registrant's registration of the domain names, which is further evidence under the circumstances of bad faith on his part.

30. The Panel therefore concludes that the Registrant did in fact register the domain names < SCOTIABANKTHEATRE.CA > and < SCOTIABANKTHEATRES.CA > in bad faith under paragraph 3.7 (a) of the Policy.

I. Does the Registrant Have a "Legitimate Interest" In the Domain Name?

31. The final element of the test set out in the Policy is to determine whether or not the Registrant has a legitimate interest in the domain name. Paragraph 3.6 of the Policy states:

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.

32. This definition is restrictive – only the interests listed in subparagraphs (a) through (f) below can be considered legitimate interests. In terms of procedure the Complainant must provide some evidence that none of these interests applied to the Registrant. The burden would then shift to the Registrant to show that it has, on the balance of probabilities, any one of these legitimate interests as defined under these subparagraphs.

33. The Complainant has asserted that the Registrant has no legitimate interest in the domain names. The Complainant's assertion rests on the fact the Registrant has never made active use of the domain names and that it can find no links between the Registrant, his name or his activities and the disputed domain names. The Complainant also points out that the Registrant must have been aware of the SCOTIABANK mark, and of the move by the Complainant into the movie theatre business.

34. I am inclined to accept these arguments in this particular set of circumstances. While awareness of the SCOTIABANK mark, and the value or goodwill embodied therein, in my view more appropriately goes to the subjective question of bad faith, it does appear that the domain names were never used as part of a legitimate activity that was in some way objectively linked to the name, person, business activities, location or trademarks of the Registrant. Nor are the domain names linked to a description of goods or services, a generic product or other legitimate use offered by the Registrant under this paragraph, as pointed out by the Complainant.

35. The Panel therefore concludes that the Complainant has shown some evidence that the Registrant did not have a legitimate interest in the domain names < SCOTIABANKTHEATRE.CA > and < SCOTIABANKTHEATRES.CA > and has met the initial burden under paragraph 3.6 of the Policy.

36. Under the Policy, the burden now shifts to the Registrant to show that it has a legitimate interest in the domain names as defined under the Policy. Here, the Registrant has not chosen to reply, and thus the assertions of the Complainant are accepted by the panelist. The Panel concludes that the Registrant did not have a legitimate interest in the domain names < SCOTIABANKTHEATRE.CA > and <SCOTIABANKTHEATRES.CA > under paragraph 3.6 of the Policy.

J. Conclusion and Decision

37. The Complainant has established on the balance of probabilities that the Registrant's domain names < SCOTIABANKTHEATRE.CA > and < SCOTIABANKTHEATRES.CA > are confusingly similar to the Complainant's mark.

38. The Complainant has established on the balance of probabilities that the Registrant had registered the domain names < SCOTIABANKTHEATRE.CA > and < SCOTIABANKTHEATRES.CA > in bad faith, as defined in the Policy.

39. The Complainant has provided some evidence that the Registrant has no legitimate interest, as defined in the Policy, in the domain names < SCOTIABANKTHEATRE.CA> and < SCOTIABANKTHEATRES.CA>. The Registrant has chosen not to counter this evidence, and the Panel thus accepts the assertions of the Complainant as having been established.

40. For these reasons, the complaint regarding the domain names < SCOTIABANKTHEATRE.CA > and < SCOTIABANKTHEATRES.CA> is successful.

K. Remedy

41. The Complainant has asked that the domain names at issue be transferred to it. I hereby so order.

Dated 10 March January 2008,

David Lametti (Sole Panelist)

David Lametti
10 March 2008