

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

Case Number: 1154

Domain Name: <victoriassecret.ca>

Complainant: Victoria's Secret Stores Brand Management, Inc.

Registrant: Eric Poustie

Registrar: DomainPeople, Inc.

Panel: Sharon Groom, Jay Josefo and Hugues G. Richard (Chair)

Service Provider: Resolution Canada Inc.

DECISION

THE PARTIES

1. The Complainant in this proceeding is Victoria's Secret Stores Brand Management, Inc. of 666 5th Avenue, 5th floor, New York, NY, 10103, c/o Ms. Stephanie Vaccari, Baker & McKenzie LLP, 181 Bay Street, Suite 2011, Toronto, Ontario, M5J 2T3, Canada ("the Complainant").
2. The Registrant is Eric Poustie of 250 H Street, #60 Blaine, Washington, 98230, USA ("the Registrant").

THE DOMAIN NAME AND REGISTRAR

3. The disputed domain name in this proceeding is < victoriassecret.ca > ("the Domain Name").
4. The Registrar is: DomainPeople, Inc.
5. The Domain Name was registered by the Registrant on November 8, 2000.

PROCEDURAL HISTORY

6. This is a proceeding under the Canadian Internet Registration Authority ("CIRA") Domain Name Dispute Resolution Policy (Version 1.3) (the "Policy") and the CIRA Domain Name Dispute Resolution Rules (Version 1.4) (the "Rules").
7. The Complainant filed a complaint against the Registrant with the Center requesting that the current registration of the Domain Name <victoriasssecret.ca> be transferred to Victoria's Secret Stores Brand Management, Inc. The Complaint was dated April 4, 2014 and was amended on April 15, 2014.
8. The Center served notice of the Complaint on the Registrant as required by paragraph 4.3 of the Rules. Service of the Complaint was made by email on April 16, 2014.
9. The Registrant delivered his Response on May 6, 2014 in accordance with the Policy and the Rules.
10. On May 30, 2014, the Center named Sharon Groom, Jay Josefo and Hugues G. Richard (Chair) as the Panel. The members of the Panel have each signed an Acceptance of Appointment as Arbitrator and Statement of Independence and Impartiality.
11. The Panel has reviewed all of the material submitted by the Complainant and is satisfied that the Complainant is an eligible Complainant under the Policy and the Rules. The Complainant is an American company that owns several Canadian trademark registrations, including for the word mark "Victoria's Secret" (registration nos. TMA313,969; TMA432093; TMA538,755) which is identical to the disputed Domain Name. As such, the Complainant meets the Canadian Presence Requirements under paragraph 1.4 of the Policy and paragraph 2(q) of the CIRA *Canadian Presence Requirements for Registrants*, Version 1.3.

12. According to the information provided by the Center, the Panel is required to deliver its decision on June 20, 2014.

FACTUAL BACKGROUND

13. The Complainant is a recognized international retailer of lingerie, sportswear, casual wear, fragrances, cosmetics and personal care products. Founded in the United States in 1977, the Complainant has been selling products to Canadians for the past 35 years through mail order catalogues, internet orders and, more recently, physical points of sale. The Complainant opened its first stores in Canada in 2009 (or, as the Registrant contends, in 2010), the exact date not being determinant of the present decision. It currently operates 15 Victoria's Secret stores across Canada.

14. The Complainant first registered the «Victoria's Secret» word mark on May 9, 1986, based on use in Canada since 1977. It owns numerous other Canadian trade-marks that incorporate the words "Victoria's Secret", registered in connection with lingerie, swimwear, cosmetics and similar wares.

15. The Complainant provided a list of approximately 1500 domain names that it owns throughout the world; save for a few, they all include the "Victoria's Secret" mark. The Complainant registered <victoriasssecret.com> in 1995.

16. The Registrant registered <victoriasssecret.ca> on November 8, 2000. The Registrant has not been using the domain name in conjunction with an offering of goods and services in Canada or elsewhere, as it results from the Complaint and from the Response. According to the Registrant, the <victoriasssecret.ca> Domain Name has been used solely to redirect traffic to Complainant's <victoriasssecret.com> website, save for a short period of time during which, for reasons on which the two parties do not agree, traffic was redirected to a competitor's website.

17. The Registrant does not have any other domain names registered in Canada.

18. There has never been any relationship between the Complainant and the Registrant, and the Registrant has never been licensed or otherwise authorized to use the Complainant's «Victoria's Secret» mark, in Canada or elsewhere, in any manner, including in or as part of a domain name.

PARTIES' CONTENTIONS

19. The Complainant alleges that:

- a) The Complainant has been selling products in Canada in association with its Victoria's Secret trade-marks for over 35 years. It has spent billions of dollars in promoting its brand, which was advertised to Canadian by means of mail order catalogues, available in Canada since 1979, fashion shows aired in Canada, web and social media sites and, since 2009, physical stores located in several major Canadian cities.
- b) The Complainant is the registered owner of the Canadian trade-marks "Victoria's Secret" (registration nos. TMA313,969; TMA432,093; TMA538,755) and other trade-marks incorporating the words "Victoria's Secret" used in Canada in association with intimate wear, swimwear and related products.
- c) The Domain Name is confusingly similar to Complainant's trade-marks: the Domain name is identical to Complainant's trade-mark and consumers are bound to mistake it for the said trade-mark; the Registrant is clearly trying to exploit the Complainant's good will.
- d) The Registrant has no legitimate interest in the Domain Name because:
 - (i) The registrant became owner of the Domain Name following the registration of the Complainant's "Victoria's Secret" trade-mark.
 - (ii) The use of the Domain Name infringes the Complainant's statutory trade-mark rights;
 - (iii) The Registrant has no rights in the «Victoria's Secret» trade-mark;

- (iv) The Complainant has not authorized the Registrant's use of the Domain Name.
- e) The Registrant has registered and is using the Domain Name in bad faith because:
 - (i) The Registrant registered the Domain Name primarily for the purpose of disrupting the business of a competitor, since he incorporated the Complainant's trade-mark in his domain name and used it to promote a competing business by redirecting traffic to a competitor's website;
 - (ii) The Registrant intentionally attempted to attract internet users by creating a likelihood of confusion with the Complainant's trade-mark, for commercial gain;
 - (iii) The Registrant has no genuine interest in the Domain Name other than selling it to the Complainant or the Complainant's competitor, at a profit;

20. The Registrant alleges that:

- a) He did not register the Domain Name in bad faith; he has never offered items for sale in connection with the Domain Name or assisted others to do so. The Registrant ensured that the domain name redirected internet traffic to the Complainant's website and not to its competitors;
- b) The Registrant has been faithfully protecting the Complainant's interests by redirecting internet traffic to the Complainant's website for over a decade. The Domain Name only resolved to a competitor's website for a short period of time when an unknown party assumed control of the Domain Name, to which Registrant has remedied as soon as feasible.
- c) The Complaint was brought in bad faith and the Complainant attempted to obtain the transfer of the domain name without the Registrant's consent.

d) The Complainant is estopped from seeking transfer of the Domain Name, as it abandoned negotiations for its transfer in 2009.

RELIEF SOUGHT

21. The Complainant requests that the domain name be transferred from the Registrant to the Complainant.

CIRA DOMAIN NAME DISPUTE RESOLUTION POLICY

22. According to paragraph 4.1 of the Policy, in order to be successful, the Complainant must establish 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;

(b) the Registrant has registered the domain name in bad faith as described in section 3.5; and

(c) the Registrant has no legitimate interest in the domain name as described in section 3.4.

23. The Complainant must prove points (a) and (b) above on the balance of probabilities and for point (c) it must provide some evidence that the Registrant has no legitimate interest in the domain name.

24. Even if a Complainant proves (a) and (b) and provides some evidence of (c), the Registrant will succeed in the proceeding if he proves, on a balance of probabilities, that he has a legitimate interest in the Domain Name as described in paragraph 3.4 of the Policy.

25. The three elements in paragraph 4.1 are cumulative. They are considered below.

A. Confusing Similarity

26. The Complainant must first show that the Domain Name is confusingly similar to a mark in which the Complainant has rights prior to the date of registration of the Domain Name and in which it continues to have such rights.
27. The first "Victoria's Secret" trade-mark was registered by the Complainant in Canada in 1986; the second (in association with a different set of wares and services) was registered in 1994, based on use in Canada since at least as early as 1977. Since the Registrant registered the Domain Name <victoriasscret.ca> on November 8, 2000, the Complainant's rights in the "Victoria's Secret" trade-mark precede the Domain Name registration date. The Complainant's "Victoria's Secret" trade-mark by itself satisfies the requirement of prior rights, as per paragraphs 3.1(a) and 3.2(c) of the Policy.
28. The Complainant has submitted extensive evidence demonstrating current use of the mark in Canada, including printouts of pages from its website <victoriasscret.com>, on which consumers can purchase "Victoria's Secret" branded products, and images of Canadian store fronts clearly displaying the "Victoria's Secret" trade-mark in order to differentiate its wares and services from those of other retailers. This evidence shows that the use of the mark is continuing.
29. The Complainant has thus established its rights in the mark "Victoria's Secret" since prior to 2000, and has demonstrated that it continues to have these rights.
30. As per paragraph 3.3 of the Policy, a domain name will be found to be confusingly similar with a trade-mark if it 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.
31. In this case, the Domain Name incorporates the entire mark "Victoria's Secret"; it is identical with the mark, save for the apostrophe which cannot be incorporated into a domain name. The test to be applied when considering confusing similarity is one of first impression and imperfect recollection and the "dot-ca" suffix should be excluded

from consideration¹. When those principles are applied, the disputed Domain Name is confusingly similar to the Complainant's "Victoria's Secret" mark.

32. Accordingly, the Domain Name <victoriasscret.ca> is confusingly similar with a mark in which the Complainant had rights prior to the date of the registration of the Domain Name and in which it continues to have such rights, namely the "Victoria's Secret" trade-mark.

B. Bad Faith

33. The Complainant also needs to establish, on a balance of probabilities, that the domain name was registered in bad faith. Paragraph 3.5 of the Policy lists non-exhaustive grounds that can constitute proof of bad faith.

34. Under subparagraph 3.5(a), bad faith can be found if the Registrant registered the Domain Name primarily for the purpose of selling, renting, licensing or otherwise transferring the Registration to the Complainant or its competitors for valuable consideration in excess of the registration and transfer costs.

35. There is some evidence that the Registrant's activities support bad faith under subparagraph 3.5(a). Appendix 15 submitted by the Complainant contains email communication between the parties according to which the Complainant agreed to prepare the transfer paperwork at its expense and compensate the Registrant for the actual, verifiable costs of registration of the domain and transfer. The Registrant requested instead compensation in the amount of 7,800\$. It is doubtful that this was, as the Registrant puts it in the Response, "simply a request to handle this with minimal cost and no publicity" (paragraph 25 of the Response).

36. Subparagraph 3.5(b) allows a finding of bad faith if the Registrant registered 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.

¹ Calgary Exhibition & Stampede v. Gordon Squires, BCICAC File No.:DCA-1473-CIRA, par. 19-20.

37. In this case, the registration of the Domain Name has prevented the Complainant from registering its "Victoria's Secret" mark as a .ca domain name, but no evidence was adduced that the Registrant has engaged in a pattern of registering domain names to prevent rightful owners of trade-marks from registering them as domain names. Bad faith is therefore not proved under this ground.
38. Subparagraph 3.5(c) provides that registering the Domain Name primarily for the purpose of disrupting the business of the Complainant, who is a competitor of the Registrant, is evidence of bad faith.
39. The Complainant contended that, as of January 23, 2014 and until about March 6, 2014, the Domain Name redirected traffic to one of its Canadian competitor's website, where consumers were able to purchase "La Vie en Rose" branded intimate apparel and swimwear. This allegation is supported by Complainant's affidavit at Appendix 18 and printouts of web pages resolving from the address to which traffic was redirected from the Domain Name, at Appendix 18-1. The Registrant denies responsibility, contends that the incident was outside of his control and that the situation was remedied as soon as he was able to regain control of the Domain Name. The Registrant further suggests that the Complainant might have intentionally caused the incident, as it was involved at the time in active litigation with its competitor La Vie en Rose. This assertion is speculative as the Respondent has failed to adduce any plausible evidence to support it.
40. Given that the Domain Name owned by the Respondent redirected traffic to one of the Complainant's direct competitors where consumers could purchase products similar to those offered by the Complainant in association with its "Victoria's Secret" mark, the Panel concludes that the Registrant is a "competitor" for the purpose of 3.5(c)².
41. In order to have acted in bad faith, the competitor must have registered the domain name primarily for the purpose of disrupting the Complainant's business. In this case, it is likely that by adopting a domain name that incorporates in its entirety the

² Calgary Exhibition & Stampede v. Gordon Squires, supra note 1., par. 37.

Complainant's "Victoria's Secret" mark and then redirecting traffic to a website that promotes the products of a competitor, the Registrant disrupted the Complainant's business and misdirected potential sales that could have been otherwise captured by the Complainant.

42. The Complainant further asserts that the Domain Name initially lead to a parked website which was, for a period of time "under construction". This contention is supported by evidence from the Internet Archive Way Back Machine dated February 1 and 4, 2001, at Annex 17. Using the Complainant's trade-mark in a domain name that resolves to a page under construction is clearly disruptive of the Complainant's business.

43. Lastly, the Complainant submits that as of March 6, 2014, the Domain Name resolved to the Complainant's <victoriassecret.com> website but that the pages were not fully functional. Although vigorously denied by the Registrant, the proof submitted by the Complainant - printouts from <victoriassecret.ca> and from Complainant's <victoriassecret.com> websites - illustrate that some of the tabs, toolbars and buttons were misaligned or missing on <victoriassecret.ca> but were displayed correctly on <victoriassecret.com>, the Complainant's actual website. It is reasonable to infer that redirecting consumers to a website that is not fully functioning is disruptive to the Complainant's business.

44. In light of the above, the Complainant has proven, on the balance of probabilities, that the Registrant registered the domain name primarily for the purpose of disrupting the business of the Complainant, that the Registrant is a competitor of the Complainant for the purpose of subparagraph 3.5(c) of the Policy, and that a finding of bad faith is justified under this ground.

45. Lastly, as per subsection 3.5(d) of the Policy, bad faith can be found whenever the Registrant has intentionally attempted to attract, for commercial gain, Internet users to the Registrant's website by creating a likelihood of confusion with the

Complainant's Mark as to the source, sponsorship, affiliation or endorsement of the Registrant's website.

46. Given that the Domain Name is identical to the Complainant's "Victoria's Secret" mark, that the domain name was registered many years after the Complainant's registration and that the domain name resolved for a period of time to a competitor's website, the Panel can infer, based on previous case law, that such actions were done for commercial gain, whether or not such gain was already realized³.

47. The Complainant's mark has been registered in Canada since 1986, used in Canada as early as 1977 and is currently used internationally for the sale of lingerie and related wares. Therefore it seems likely that the Registrant was aware or ought to have been aware of the Complainant's mark at the time he registered the Domain Name in 2000 and that this was the motivation behind his registration. The Registrant does not deny this imputed knowledge; on the contrary he alleges having "protected" the Complainant's interests, at his own expense, for over a decade, by ensuring that traffic has been redirected from the Domain Name to the Complainant's <victoriasssecret.com> website. Even, assuming that this has in fact been the case, the Respondent had no authorization from the Complainant to use a domain name identical to the Complainant's trade-mark in order to capture and direct Internet traffic.

48. It is therefore likely that the Registrant chose the Domain Name for the purpose of commercial gain, as the likelihood of confusion with the "Victoria's Secret" mark was sure to drive internet traffic to the Registrant's website.

49. Although the Domain Name seems to currently resolve to the Complainant's <victoriasssecret.com> website, there is no guarantee that this will be the case in the future. The Registrant admits that Domain Name Forwarding is a simple functionality that can be easily put in place by the domain name owner in order to point to any existing website (Registrant's Appendix 28). As such, how can the Complainant be sure that the Domain Name will continue to redirect traffic to its own

³ Calgary Exhibition & Stampede v. Gordon Squires, supra note 1, par. 38.

website and not to a competitor's, as was already the case in the past? This would involve continuous surveillance and prompt intervention on the part of the Complainant every time this functionality is interfered with, in order to avoid further harm to its business.

50. The ensemble of circumstances leads the Panel to conclude that the Registrant intentionally attempted to attract, for commercial gain, Internet users to his website by creating a likelihood of confusion with the Complainant's "Victoria's Secret" mark as to the source, sponsorship, affiliation or endorsement of the Registrant's website.

51. The Panel finds that the Complainant has met its second burden of proof and concludes that the Registrant's registration was made in bad faith pursuant to paragraph 3.5 of the Policy.

C. Legitimate Interest

52. Paragraph 3.4 lists six circumstances that demonstrate a Registrant's legitimate interest in a domain name.

53. In this case, the domain name is not used by the Registrant as a trade-mark on his website, or in association with his business. According to the Registrant, the Domain Name has only been used to redirect traffic to the Complainant's website for almost 14 years. Paragraph 3.4(a) is therefore not satisfied.

54. Secondly, the Registrant does not appear to have used the domain name in good faith in association with any wares, services or business. The Registrant's use does not therefore meet the requirement of subparagraphs 3.4(b) or (c). Nor was the Registrant using the domain name in good faith in association with criticism, review or news reporting (paragraph 3.4(d)). Finally, the domain name is not the legal name or other identifier of the Registrant (3.4(e)), nor is it the geographical name of the location of the Registrant's place of business (3.4(f)).

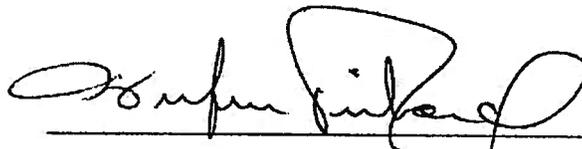
55. It results that none of the criteria in paragraph 3.4 have been satisfied. The Complainant has provided some evidence that the Registrant has no legitimate interest in the domain name, thus meeting its third burden of proof.

56. The Registrant failed to prove, on a balance of probabilities, that he has a legitimate interest in the Domain Name. The Registrant submits that he has always ensured that the Domain Name resolved to the Complainant's website, thus protecting the Complainant's interests for over a decade. Nowhere in his response does the Registrant show a legitimate interest in owning the Domain Name or explain the reasons for which he strived to secure ownership of the Domain Name for over 14 years, without any authorization from the Complainant.

CONCLUSION AND DECISION

57. The Panel concludes that the Complainant has rights in the "Victoria's Secret" mark that predate the registration of the <victoriasssecret.ca> domain name by the Registrant. It also concludes that the domain name is confusingly similar to the Complainant's mark and that the Registrant has no legitimate interest in the Domain Name. Finally, it finds that the Complainant has shown that the Registrant registered the domain name in bad faith.

58. The Panel therefore orders, pursuant to paragraph 4.3 of the Policy, that the registration of the domain name <victoriasssecret.ca> be transferred to the Complainant, Victoria's Secret Stores Brand Management, Inc.



Hugues G. Richard, Chair of the Panel

Sharon Groom, Member of the Panel

Jay Josefo, Member of the Panel

Dated: June 20, 2014