CANADIAN INTERNET REGISTRATION AUTHORITY DOMAIN NAME DISPUTE RESOLUTION POLICY

DECISION

Domain Name: glashuette-original.ca

Complainant: Glashütter Uhrenbetrieb GmbH

Registrant: Corporate Domains Registrar: HEXONET Services Inc. Service Provider: ResolutionCanada Inc.

Sole Panelist: Eric Macramalla

A. THE PARTIES

- 1. The Complainant is Glashütter Uhrenbetrieb GmbH (the "Complainant").
- 2. The Registrant is Corporate Domains (the "Registrant").

B. DISPUTED DOMAIN NAME & REGISTRAR

3. The disputed domain name is glashuette-original.ca (the "Domain Name") and the Registrar is HEXONET Services Inc.

C. PROCEDURAL HISTORY

- 4. This is a dispute resolution proceeding initiated pursuant to the *CIRA Domain Name Dispute Resolution Policy* (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 June 10, 2015. The Date of Commencement of the proceeding was June 19, 2015.
- 6. The Registrant's did not file a response.
- 7. On July 21, 2015, the Panel was appointed following the Complainant converting the Panel to a single member. 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

8. The Complainant is the owner of the Canadian trade-mark registration GLASHÜTTE ORIGINAL, Registration No. TMA,638,781. The Panel is therefore satisfied that the Complainant is eligible to initiate these proceedings.

E. THE POSITIONS OF THE PARTIES

The Complainant's Position

- 9. The Complainant has argued as follows:
- 10. The Complainant is a leading designer, manufacturer, seller and retailer of luxury wrist watches. The Complainant is the owner of the distinctive and well known GLASHÜTTE ORIGINAL luxury watch. The Complainant is the owner of the following Canadian trademark registrations, all of which matured to registration before the May 17, 2011 registration date of the Domain Name: GLASHÜTTE ORIGINAL, Registration No. TMA 638,781 and GLASHÜTTE ORIGINAL Registration No. TMA 593,364 (collectively, the "GLASHÜTTE Trademarks").
- 11. The Complainant's parent company, The Swatch Group AG, is publicly traded on various stock exchanges under the symbols UHR and UHR N.
- 12. The Registrant has resolved the Domain Name to a pay-per-click website featuring sponsored links to competitors of the Complainant.
- 13. When contacted by the Complainant, the Respondent initially offered to sell the Domain Name for \$6000.00. Ultimately, the Registrant reduced the sale price to a "special offer" of \$1600.
- 14. The Domain Name is confusingly similar with the GLASHÜTTE Trademarks. The Registrant does not have a legitimate interest in the Domain Name as it is not licensed, or otherwise authorized, to use the GLASHÜTTE Trademarks. The Registrant registered the Domain Name in bad faith, namely to intentionally attempt to attract, for commercial gain, Internet users to its website by creating a likelihood of confusion with the Complainant's mark as to the source, sponsorship, affiliation, or endorsement. The Registrant has also sought to sell the Domain Name to the Complainant for an amount which exceeds its out-of-pocket expenses associated with the registration.
- 15. The Complainant is seeking the transfer of the Domain Name.
- 16. The Registrant did not file a response.

F. <u>DISCUSSION & REASONS</u>

- 17. 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

18. In order to satisfy this branch of the test, the Complainant must demonstrate (i) that it has rights in a mark, (ii) that the rights in its mark predate the registration date of the Domain Name, and (iii) that the Domain Name is confusingly similar with the disputed domain name.

Rights in the Marks & Rights that Predate the Domain Name Registration Dates

- 19. The Complainant's GLASHÜTTE Trademarks establish requisite trade-mark rights in this case.
- 20. Where the Complainant relies upon a trade-mark registered prior to the domain name registration date, the Policy does not require or permit a Panel to go behind the registration to determine whether the mark is valid or invalid based upon lack of distinctiveness or non-use. In cases where a trade-mark registration matured to registration after the domain name registration date, or the Complainant is relying on common law rights, it must establish rights that predate the domain name registration.
- 21. The Complainant's Registration No. TMA 593,364 issued to registration in 2003 well before the May 17, 2011 domain name registration date. Therefore, the Panel concludes that the Complainant has established rights that precede the registration of the Domain Name.

Confusingly Similar

- 22. 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.
- 23. 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).
- 24. The test to be applied when considering "confusingly similar" is one of first impression and imperfect recollection. The Complainant must prove, on a balance of probabilities, that a person, as a matter of first impression, knowing the Complainant's corresponding marks only, and having an imperfect recollection of the marks, would likely confuse the Domain Name for the Complainant's marks based upon the appearance, sound or the ideas suggested by the mark.
- 25. It should be noted that the test for confusion under the Policy is not the same test for confusion set out under the Canadian *Trade-marks Act*. Under the Section 6(5) of the *Trade-mark Act*, when assessing the likelihood of confusion between marks, the factors to consider are as follows: (a) the inherent distinctiveness of the marks and the extent to which they have become known; (b) the length of time the marks have been in use; (c) the nature of the wares, services, or businesses; (d)

- the nature of the trade; (e) the degree of resemblance between the marks in appearance or sound or in the ideas suggested by them; and (f) the surrounding circumstances.
- 26. In contrast, the Policy provides that confusion is established if a domain name so nearly resembles a mark in appearance, sound or in the ideas suggested. This is similar to the test set out under Section 6(5)(e) of the *Trade-marks Act*. However, the remaining factors as set out under the *Trade-marks Act* do not apply to the assessment of confusion under the Policy. The Policy's summary proceedings are ill-suited for the in-depth and traditional confusion analysis contemplated by the *Trade-marks Act*.
- 27. The domain name glashuette-original.ca is nearly identical to the GLASHÜTTE Trademarks. As submitted by the Complainant, non-German speakers replace the "ü" with "ue". Further, the addition of a hyphen is inconsequential to the confusion analysis.
- 28. Under the circumstances, the Panel concludes that the Domain Name is confusingly similar with the Complainant's GLASHÜTTE Trademarks given that the Domain Name so nearly resembles the GLASHÜTTE Trademarks in appearance, sound and in the ideas suggested so as to be likely to be mistaken for the mark.

Conclusion - Confusion

29. The Panel finds that the Domain Name is confusingly similar with the GLASHÜTTE Trademarks in which the Complainant had rights prior to the registration date of the Domain Name, and continues to have such rights.

BAD FAITH REGISTRATION

- 30. The Registrant rather enthusiastically opened with an offer to sell the Domain Name for "6000 US\$, thanks!". Following an exchange with the Complainant, the Registrant reduced the sale price to a "special offer" of "1600\$".
- 31. This final offer was not followed by an exclamation point, which would suggest waning enthusiasm on the part of the Registrant.
- 32. The Registrant's offer constitutes classic cybersquatting and clearly falls within the four corners of paragraph 3.5(a).
- 33. Further, the Panel is of the view that the Domain Name is likely to confuse potential consumers into believing that the Registrant is somehow affiliated with, or endorsed by, the Complainant. Further, it is a well-established principle that resolving a disputed domain name to a pay-per-click website featuring sponsored links to competitors of a complainant maybe considered evidence of bad faith. These websites put a registrant in a position to reap a financial benefit by way of referral fees. In this case, the Panel concludes that bad faith does indeed exist.
- 34. Accordingly, the Registrant's parasitic activities also constitute bad faith as per paragraph 3.5(d).

LEGITIMATE INTEREST

- 35. The final element to determine is whether the Registrant has a legitimate interest in the Domain Name.
- 36. As per paragraph 4.1 of the Policy, the Complainant must provide "some evidence that the Registrant has no legitimate interest in the domain name as described in paragraph 3.6".
- 37. Once this onus has been discharged by the Complainant, the Registrant may still succeed if it can show, on a balance of probabilities, that it has a legitimate interest in the Domain Name pursuant to paragraph 3.4.
- 39. The Panel finds that the Complainant has provided sufficient evidence that the Registrant does not have a legitimate interest in the Domain Name. The Complainant did not authorize the registration and the website is likely to mislead the public into believing that the Registrant is affiliated with, or endorsed by, the Complainant.
- 40. In cases where a domain name is nearly an exact match for a brand owner's trademark, the initial assumption will be that a registrant does not have a legitimate interest in said domain absent an agreement to the contrary between the parties. Nothing in the record displaces this assumption.
- 41. Accordingly, the Panel finds that the Registrant does not have a legitimate interest in the Domain Name.

DECISION & ORDER

- 42. For the reasons set out herein, the Panel decides this dispute in favour of the Complainant.
- 43. Pursuant to paragraph 4.3 of the Policy, the Panel orders the domain name glashuette-original.ca transferred to the Complainant.

Dated at Ottawa, Ontario, Canada, this 12th day of August, 2015.

