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

Domain Names: OKI.CA

Complainant:

Oki Electric Industry Co. Ltd.

Registrant:

Alexander Kaulins

Registrar:

Namespro Solutions Inc.

Panelists: Teresa Scassa

Jay Josefo

David Allsebrook, Chair

Service Provider: Resolution Canada

DECISION

A. The Parties

- 1. The Complainant, OKI Electric Industry Co . Ltd., is a Japanese corporation that has been in business since January 1881. The Complainant is involved in the manufacture and sale of products, technologies, software and solutions for telecommunications systems and information systems, including IT services distribution and constructions related to these businesses. The Complainant's head office is located at 1-7-12 Toranomon, Minato-ku, Tokyo. 105-8460. Japan.
- 2. The Registrant of the Disputed Domain Name is Alexander Kaulins. The administrative and technical contact of the Disputed Domain Name is Marty Kaulins, Box 276, 130-8191 Westminster Highway, Richmond, British Columbia, V6X lA 7 CANADA. The Registrant is in the domain name speculation business.

B. The Domain Name and Registrar

3. The domain name at issue is OKI.CA. The domain name is registered with Namespro Solutions Inc.

C. Procedural History

4. The Complainant made no direct contact with the registrant before filing this complaint. The Complainant submitted this Complaint to the Domain Name Dispute Resolution Provider, Resolution Canada. The Provider served notice of the Complaint to the Registrant as required by paragraph 4.3 of the CIRA Domain Name Dispute Resolution Rules ["Rules"]. A Response to the Complaint was received from the Registrant. The Provider selected the panel of three and appointed the Chair according to the process outlined in the Rules.

- 5. Both parties are represented by counsel, who provided thorough and very helpful briefs to the Panel.
- 6. The Complainant requests that ownership of the Disputed Domain Name be transferred to it.

D. Panel Members' Impartiality and Independence Statements

7. As required by paragraph 7.1 of the Rules, all three panelists have declared to the Provider that they can act impartially and independently in this matter as there are no circumstances known to any of us which would prevent us from so acting.

E. Factual Background

- 8. The facts of this dispute are as follows. The Complainant is the registered owner of the registered Canadian trademarks OKI (TMA351,772) and OKI Design (TMA548,224).
- 9. OKI (TMA351,772) is registered for use with the wares: Telephone switching equipment; telegraph switching equipment; data switching equipment; telephones; data transmission apparatus, namely modems, multiplexers, video codecs, television standard converters and telewriters; radio communication equipment; studio apparatus for broadcasting, namely broadcasting transmitters, relays, amplifiers, televison satelite systems, monitors and mixers; facsimile equipment; information processing equipment; electric computers; teletypewriters; electric printers; computer terminal apparatus; peripheral equipment; cash dispensers; cash registers; electronic copying machines; radar equipment; electric measuring apparatus namely telemeters, transponders, sonars and sonobuoys; semiconductor devices, namely, LSI memories, microprocessors, gate arrays and integrated circuits; electric connectors; sockets; plugs; fuse wires; reed relays; electric printed boards; electric wires and cables; and fire alarms.
- 10. OKI Design (TMA548,224) is registered for use with the wares: toner, prefilled toner cartridges, ink, prefilled ink cartridges, ink ribbons and prefilled ink ribbon cartridges) all for printers, copiers and facsimile machines.
- 11. The Complainant therefore satisfies the Canadian presence requirement and is eligible to own the oki.ca domain name.
- 12. Use of the Complainant's registered trade-marks in Canada goes back several decades. Its registrations are based upon:

OKI (TMA351,772) - use in Canada since at least as early as 1978

OKI Design (TMA548,224) - Declaration of Use filed June 22, 2001

13. The Registrant is involved with his father, Marty Kaulins, in the buying and selling of

generic, descriptive and/or short-length .ca domain names. Marty Kaulins is acting as the administrative contact of the Registrant to assist him in its operations and transactions related to domain names.

- 14. The Registrant's commercial activities related to domain names primarily and essentially consist of investment, management and trading, i.e., the practice of seeking registration or acquisition of rights in domain names with the intent of selling them later for a profit, a practice also known as domain name speculation.
- 15. The Registrant registered OKI.CA on January 27, 20 10. The registration will expire on January 27, 2012.

F. CIRA Domain Name Dispute Resolution Policy Requirements

- 16. 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:
 - **4.1 Onus.** 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 as described in paragraph 3.6

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

17. The Registrant admits that the domain name oki.ca is confusingly similar to a trademark in which the Complainant had rights prior to the date of registration of the Domain Name and continues to have such rights, within the meaning of paragraph 4.1 (a) of the Policy.

H. Does the Registrant have a Legitimate Interest in oki.ca?

- 18. The parties agree that this dispute falls to be decided under Version 1.2 of the Policy. It contains an exhaustive list of legitimate interests recognized under the Policy. Version 1.3 of the Policy, which took effect on August 22, 2011 has an open ended definition of "legitimate interest".
- 19. Version 1.2 of the Policy defines "Legitimate Interests" as follows:
 - **3.6 Legitimate Interests**. 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.

In paragraphs 3.6 (b), (c), and (d) "use" by the Registrants includes, but is not limited to, use to identify a web site.

- 20. The list is exhaustive and each interest carefully qualified. The Complainant alleges that the Registrant does not meet any of the criteria. The Registrant says that the onus of proof of lack of legitimate interest is on the Complainant and that the Complainant's burden has not been discharged.
- 21. The list of interests makes no provision for domain name traders. On the totality of the evidence, the Panel finds that the activities of the Registrant do not fit within any of the

enumerated interests. He therefor has no legitimate interest in oki.ca. This decision should not be taken as having any precedential value under Version 1.3 of the Policy or as a finding as to the legitimacy of domain name speculation generally.

H. Has the Registrant Registered the Domain Name in Bad Faith?

- 22. Version 1.2 of the Policy also has an exhaustive list of conduct comprising bad faith.
 - **3.7 Registration in Bad Faith.** For the purposes of paragraph 3.1(c), a Registrant will be considered to have registered a domain name in bad faith if, and only if:
 - (a) the Registrant registered the domain name, or acquired the Registration, 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;
 - (b) the Registrant registered the domain name or acquired the Registration in order to prevent the Complainant, or the Complainant's licensor or licensee of the Mark, 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 or acquired the Registration 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.
- 23. The Complainant submits that paragraph 3.7(c) applies:
 - [28] On our facts, it is submitted that the Registrant registered or acquired the domain name for the purpose of disrupting the Complainant's business. Given that the Complainant has existed in Canada for over thirty years, the Registrant had to have been aware of the Complainant and its status, and of the Complainant's use of the trade-marks OKI and OKI Design. As such, the use of OKI by the Registrant can only be seen as an attempt to cause confusion and therefore to disrupt the Complainant's business. There can be no other reason for adopting for a name other than to appropriate the goodwill of the Complainant and interfere with the Complainant's business. As noted above, the Registrant uses the Disputed Domain Name to take the user to products that are directly competitive with the Complainant's products (i.e., XEROX, EPSON. etc.).
 - [29] Previous dot-ca decisions have consistently held that where a Registrant uses a

confusingly similar domain name with the effect of misleading customers or potential customers of a complainant and directs them, not to a website of the complainant, but to pay-per-click websites that feature the complainant's competitors, that it is a reasonable inference that the registrant acquired the domain name registration primarily for the purposes of disrupting the business of the complainant (see Lee Valley Tools Ltd v. Pilfold Ventures Inc. (CIRA Dispute No. 40). Reitmans Canada Limited / Reitmans Canada Limitée (CIRA Dispute No. 32). The Men's Warehouse v. Wade Traversy (CIRA Dispute No. 23).

- 24. In order for paragraph 3.7(c) to apply the parties must be competitors, which they are not. The Registrant's domain name speculation business is not in competition with the Complainant's business of manufacturing and selling products, technologies and software solutions for telecommunications systems.
- 25. The question as to whether the primary purpose of the Registration was to disrupt the Complainant's business is more complex. Does the fact that oki.ca resolved to a pay-per-click web site imply that disruption was its primary purpose?
- 26. The Registrant advances another purpose for the registration of oki.ca. He is in the business of reselling generic domain names, and particularly three letter domain names, selected by him to be of general interest to undetermined potential buyers. The operation of his business and this industry is described in detail by the Respondent.
- 27. The oki trade mark consists of only three letters. It is capable of use for purposes other than association with the Complainant, such as, as an acronym. In addition, 'oki' has been used by others. The Respondent filed a list of about 40 business name registrations in Canada which include the word 'oki'. One of them reflects the use of "Oki" as a surname. The Respondent has also filed a list of about 17 registered .ca domain names which begin with 'oki'.
- 28. The Registrant swears in an affidavit filed with Resolution Canada that he had not heard of the Complainant or its trade marks before receiving the complaint.
- 29. The Registrant's explanation of the connection of oki.ca to a pay-per click web site is taken from his affidavit:
 - [25] While I register, acquire and hold .ca domain names primarily for their inherent high resale value in the future, I do, in the meantime, let my generic or descriptive domain names direct Internet users to landing pages of pay-per-click sponsored links providers. However, this is not the primary purpose for which I am registering them.
 - [26] Domain name parking consists of registering a domain name and setting it so that Internet users accessing the site will be led to a "landing page." The landing page displays sponsored pay-per-click advertisements, which resolve to websites of various businesses. The content of a landing page displayed through a parked domain name is not determined by the domain name holder but by the provider that operates the system that is used to display the sponsored links.

- [27] Some providers of webhosting and domain name registration services have their own domain parking systems and/or activate pay-per-click ("PPC") content on landing pages associated with domain names held by their clients by default without being told to so do.
- [28] In the case of domain names that are short-length domain names that would not also be generic or descriptive, the administrative contact for my domain names usually sets them to direct Internet users to the domain name broker site excellentdomains.ca. However, when I registered the domain name oki.ca, the administrative contact unknowingly omitted to modify the setting of the domain name accordingly.
- [29] My primary purpose of registering domain names is simply to acquire exclusive rights over a number of generic, descriptive and/or short-length domain names oki.ca being but one among many as part of a business plan targeting those types of domain names; as such, despite the inadvertent pay-per-click page, I was not targeting the Complainant when I registered the Domain Name.
- 30. The oki.ca pay per click web site is very focused on the business of the complainant. This fact cannot be dismissed by a sophisticated trader in domain names, which the Registrant plainly is, as being the responsibility of the pay per click site provider. The Registrant derives revenue from that advertising function and uses pay per click advertising services for that purpose.
- 31. The record does not show the effect of the pay per click advertising on oki.ca. It may have generated business for oki, or diverted it, or both, or neither. It is beyond the scope of this type of summary proceeding to get into that analysis.
- 32. The Respondent maintains that his practice is to have short domain names such as oki.ca, that are not also generic or descriptive, resolve to his landing page which offers domain names for sale. He claims that it was an administrative oversight that led to the registration provider setting the domain name to resolve to a pay-per-click site. In this instance, the Registrant's stated intention was to resolve the domain name to a landing page offering it for sale, that that is his policy for his inventory of short-length domain names, and that the sale of oki.ca was his primary purpose. These statements are credible in the context of the business described by the Registrant.
- 33. On balance, the panel finds that on the balance of probabilities the primary purpose of the registration was not to disrupt the business of the Complainant. The registration of oki.ca was not made in bad faith.
- 34. The bad faith contemplated by the policy requires the registration of the domain name to be <u>primarily</u> for the purpose of disruption. It also suggests that the parties must be competitors. Neither is the case here.

K. Conclusion and Decision

- 35. The domain oki.ca is confusingly similar to the Complainant's mark.
- 36. The Registrant has no legitimate interest, as defined in the Policy Version 1.2, in the domain name oki.ca.
- 37. The Complainant has not established that the Registrant had registered the domain name oki.ca in bad faith, as defined in the Policy.
- 38. For these reasons, the Complaint regarding the domain name oki.ca is not successful.

Dated September 12, 2011

Teres Scassa, Jay Jesofo, and David Allsebrook (Chair)

Teresa Scassa

Jay Josefo

David Allsebrook