CANADIAN INTERNET REGISTRATION AUTHORITY DOMAIN NAME DISPUTE RESOLUTION POLICY

DECISION

Domain Name: desigual.ca Complainant: INTS IT IS NOT THE SAME GMBH Registrant: Cam Auge Registrar: Go Daddy Domains Canada, Inc Service Provider: Resolution Canada Panelists: Eric Macramalla (Chair), Sharon Groom and Jay Josefo

A. <u>THE PARTIES</u>

- 1. The Complainant is INTS IT IS NOT THE SAME GMBH (the "Complainant"), a company organized under the laws of Switzerland.
- 2. The Registrant is Cam Auge (the "Registrant") located in Vancouver, British Columbia.

B. <u>DISPUTED DOMAIN NAME & REGISTRAR</u>

3. The disputed domain name is desigual.ca (the "Domain Name").

C. <u>PROCEDURAL HISTORY</u>

- 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 November 21, 2017. The Date of Commencement of the proceeding was November 27, 2017.
- 6. The Registrant filed his Response on December 31, 2017.
- 7. On January 11, 2018, the Panel was appointed. 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. <u>CANADIAN PRESENCE REQUIREMENTS: ELIGIBILITY OF THE COMPLAINANT</u>

8. The Complainant is the owner of the Canadian Registration No. TMA752748. The Panel is therefore satisfied that the Complainant is eligible to initiate these proceedings.

E. <u>THE POSITIONS OF THE PARTIES</u>

The Complainant's Position

- 9. The Complainant's submissions include the following.
- 10. Founded in 1984, the Complainant sells "clothes, accessories, shoes, bedclothes, table linen, decoration and perfumery products under the DESIGUAL trademarks all over the world through different distribution channels as detailed below and online through the web site www.desigual.com and e-tailers."
- 11. The Complainant, together with its related companies, employ over 5000 people worldwide in 100 countries, and operate over 500 stores.
- 12. The Complainant is the owner of the following Canadian trademark registrations, which shall be collectively referred to as the DESIGUAL Trademarks:

Trademark	Reg. No.	Reg. Date
DESIGUAL Design	TMA752748	2009-11-10
DESIGUAL & Design	TMA506605	1999-01-15

- 13. The Complainant alleges use of its DESIGUAL trademark in Canada since at least as early as 2007 and has provided evidence of common law rights dating back to 2008.
- 14. The Registrant hyperlinked the Domain Names to giftagreen.com. Furthermore, the Registrant offered to sell the Domain Name on two occasions for \$40,000 and \$50,000 respectively.
- 15. The Domain Name is confusingly similar with the DESIGUAL Trademarks. Furthermore, the Registrant does not have a legitimate interest in the Domain Name. Finally, the Registrant registered the Domain Name in bad faith.
- 16. The Complainant is seeking the transfer of the Domain Name.

The Registrant's Position

- 17. The Registrant has argued as follows:
- 18. The trademark DESIGUAL is generic and is Spanish for uneven, unequal and one-sided.

- 19. The Domain Name was registered in January 2010. The Domain Name was hyperlinked to giftagreen.com as it was a potential new name for that business.
- 20. The giftagreen.com business sells tea and does not compete with the Complainant's business. The business has appeared on Dragon's Den and the products are sold in 500+ stores across Canada.
- 21. While an offer to sell the Domain Name was made, it was not unsolicited.

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

- 22. 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

23. 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

- 24. Where the Complainant relies upon a trademark 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 trademark 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.
- 25. The Domain Name was registered on January 3, 2010.
- 26. The DESIGUAL Trademarks issued to registration prior to the January 3, 2010 registration date of the Domain Name. Therefore, the Panel concludes that the Complainant has established rights that precede the registration of the Domain Name.

Confusingly Similar

- 27. 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.
- 28. 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).
- 29. 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.
- 30. It should be noted that the test for confusion under the Policy <u>is not</u> the same test for confusion set out under the Canadian *Trade-marks Act*. Under the Section 6(5) of the *Trade-marks 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.
- 31. 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*.
- 32. The Panel concludes that the Domain Name is confusingly similar with the Complainant's DESIGUAL Trademarks, given that the Domain Name so nearly resembles the DESIGUAL Trademarks in appearance, sound and in the ideas suggested so as to be likely to be mistaken for these marks. The Domain Name is comprised exclusively of the DESIGUAL Trademark, and as a result, the Registrant cannot escape a finding of confusing similarity. The backwards "S" in the subject trademark does not alter a finding of confusion.

Conclusion - Confusion

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

LEGITIMATE INTEREST

- 34. 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".
- 35. 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.
- 43. 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 domain name is likely to mislead the public into believing that the Registrant is affiliated with, or endorsed by, the Complainant.
- 44. The Registrant indicated that the Domain Name represented a possible new name for the giftagreen.com business and for that reason the Domain Name was made to hyperlink to giftagreen.com. That link, however, was terminated upon receipt of the Complaint. Interestingly, the Domain Name appears to have been registered before giftagreen.com (although this date does not ultimately affect the Panel's findings).
- 45. The Panel has significant difficulty with the Registrant's attempt to legitimize the Domain Name. Much of the Registrant's time is spent conflating the legitimacy of the giftagreen.com business with a bona fide and legitimate interest in the Domain Name. The Panel does not question that the giftagreen.com business is legitimate; rather the issue is whether the Domain Name represents a legitimate registration. Based upon the Registrant's arguments, the Panel must conclude that the Registrant does not have a legitimate interest in the Domain Name, which reflect a well-know trademark. He failed to provide any clear, defined and bona fide plans for the Domain Name, and ultimately failed to convince the Panel of its legitimacy.
- 46. Accordingly, the Panel finds that the Registrant does not have a legitimate interest in the Domain Name.

BAD FAITH REGISTRATION

47. By virtue of hyperlinking the Domain Name to giftagreen.com, the Panel finds that the Domain Name was registered in bad faith as per Paragraph 3.5(d). The Registrant sought to piggyback on the goodwill and reputation of the DESIGUAL trademark with a view to misleading end users as to source or sponsorship for commercial gain.

The Defense of Laches

48. The Registrant has suggested that the Complaint should fail on the basis of laches given that the Complaint was filed seven (7) years after the registration of the

domain name. For the sake of completeness, the Panel is unconvinced by the argument and believes it should fail.

49. The doctrine of laches does not generally apply under the CDRP and a delay in bringing a Complaint does not by itself prevent a Complainant from filing or succeeding under the CDRP. Even if the equitable doctrine of laches did apply, the Registrant cannot establish that it has been prejudiced in any manner by the delay. The Domain Name is not actively being used. Furthermore, the length of time the Registrant has owned the disputed domain name does not excuse this clearly improper Domain Name registration.

DECISION & ORDER

- 50. For the reasons set out herein, the Panel decides this dispute in favour of the Complainant.
- 51. Pursuant to paragraph 4.3 of the Policy, the Panel orders the transfer of the domain name desigual.ca to the Complainant.

Dated at Ottawa, Ontario, Canada, this 9th day of February, 2018.

Eric Macramalla (Chair) Sharon Groom Jay Josefo