CANADIAN INTERNET REGISTRATION AUTHORITY DOMAIN NAME DISPUTE RESOLUTION POLICY

DECISION

Domain Name:	termodeck.ca
Complainant:	RLI Byggdata AB
Registrant:	Jack Laken
Registrar:	Promo People Inc./Host Papa Inc.
Service Provider:	Resolution Canada
Panelist:	Eric Macramalla

A. <u>THE PARTIES</u>

- 1. The Complainant is RLI Byggdata AB (the "Complainant"), which is based in Sweden.
- 2. The Registrant is Jack Laken, who is located in Toronto, Ontario (the "Registrant").

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

3. The disputed domain name is termodeck.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 April 20, 2021. The Date of Commencement of the proceeding was April 28, 2021.
- 6. The Registrant failed to file a Response.
- 7. On June 7, 2021, 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. CANADIAN PRESENCE REQUIREMENTS: ELIGIBILITY OF THE COMPLAINANT

8. The Complainant is the owner of the Canadian trademark registration TermoDeck, Registration No. TMA607817. 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. The Complainant is the owner of the Canadian trademark registrations TERMODECK, Registration No. TMA607817 (the "TERMODECK Trademark") and TERMODECK, Registration No. TMA762139. As the latter registration issued to registration well after the Domain Name registration date, the Panel will rely exclusively on the TERMODECK Trademark.
- 11. RLI Byggdata, has offices in Sweden, United Kingdom and Botswana, and is owned by the inventors of the TermoDeck system. The TermoDeck system is the world's first and leading provider of a construction design method using proprietary software and integrates thermal and radiant heating, cooling and ventilation into the structures of building hollow core concrete slabs.
- 12. Since 1978 over 430 buildings have been constructed with TermoDeck, mainly in Scandinavia, Northern Europe, United Kingdom, the Middle East, Australia, Africa and North America. RLI Byggdata AB and TermoDeck International Ltd (TDI) are the owners of the world-wide rights to the TermoDeck technology and the patents and trademarks.
- 13. The TermoDeck website <u>www.termodeck.com</u>, is also registered to RLI Byggdata and has been active since 1997. TermoDeck is described as "an energy efficient building solution using free energy to heat and cool the building via thermal energy storage." This is the same system that the Registrant purports to have invented and currently markets under its own brand, which it directs users to from the termodeck.ca URL, for its own commercial purposes.
- 14. On March 17, 2003 TermoDeck executed a License Agreement with Canadian engineer and businessman Jack Laken, and Q Net Building Solutions Inc., a company he is presumed to have wholly owned, as Licensee, to represent TermoDeck in Canada with limited use of the intellectual property rights and technical information relating to the TermoDeck system and the trademark, of which RLI Byggdata is expressly stated therein as "the beneficial owner".
- 15. Kinsale, as authorized by virtue of its agreement with RLI Byggdata, gave Laken Notice of Termination on November 6, 2007, which he acknowledged receipt of in writing, ending his rights and obligations as TermoDeck's licensee.
- 16. Despite the termination of the relationship, the Registrant continued to pursue projects using TermoDeck's intellectual property and represented himself as the provider of the TermoDeck system, which he at some point thereafter renamed TermoBuild. TermoBuild also fraudulently claims on its website that many of the TermoDeck projects completed with RLI Byggdata were projects completed by TermoBuild.
- 17. The Domain Name hyperlinked to <u>www.termobuild.com</u>, a competitor website.

18. The Domain Name is confusingly similar to the TERMODECK Trademarks, the Registrant has no legitimate interest in the Domain Name and the Registrant registered the Domain Name in bad faith.

The Registrant's Position

- 19. The Registrant did not file a Response.
- 20. Since the Registrant has not submitted a response to the Complaint, the Panel shall decide the Proceeding on the basis of the Complaint. Notwithstanding the absence of a response, the proceedings shall be decided on the merits of the case.

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

- 21. 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

22. 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

- 23. 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.
- 24. The Domain Name was registered on June 24, 2004. The TERMODECK Trademark issued to registration before the 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

- 25. 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.
- 26. 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).
- 27. 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.
- 28. 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.
- 29. 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*.
- 30. The Panel concludes that the Domain Name is confusingly similar with the Complainant's TERMODECK Trademark, given that the Domain Name so nearly resembles the TERMODECK Trademark in appearance, sound and in the ideas suggested so as to be likely to be mistaken for these marks. The Domain Name is comprised of the TERMODECK Trademark.

Conclusion - Confusion

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

LEGITIMATE INTEREST

- 32. 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".
- 33. 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.
- 36. The Panel finds that the Complainant has provided sufficient evidence that the Registrant does not have a legitimate interest in the Domain Name. The Registrant's licensee agreement, which included a license to use the Complainant's trademark rights, was terminated. The continued use of the Domain Name under the circumstances cannot be said to be *bona fide* or legitimate as it is contrary to the agreement as between the parties.
- 37. Accordingly, the Panel finds that the Registrant does not have a legitimate interest in the Domain Name as that right evaporated at termination of the licensee agreement.

BAD FAITH REGISTRATION

- 38. The Panel has reviewed the License Agreement and notes that it fails to provide for the express disposition of the Domain Name upon termination. This is ultimately the key issue at play in these proceedings as a number of CDRP and UDRP Panelists have concluded that absent an agreement expressly providing for the transfer of a domain name upon termination, a Complaint should fail.
- 39. This Panelist, however, disagrees with such an approach as it is commercially impractical and misaligned with fundamental trademark principles. In instances where a license agreement requires that the use of a trademark cease upon termination, that should not only include discontinuing the statutory use of trademarks, but also transferring an impugned domain name to the brand owner. To do otherwise amounts to nothing more that an artificial distinction that is not in keeping with commercial realities. If a licensee's rights to use a trademark are terminated, then from that it reasonably flows that the use of a domain name must cease and be transferred to the brand owner.
- 40. There is little doubt that the Registrant's activities fall squarely within Paragraphs 3.5(c) and 3.5(d). The Domain Name was made to hyperlink to the competitor website of the Registrant. The Registrant's activities qualify as bad faith. The Panel also notes that it is not necessary for the Domain Name to be active to make a finding of bad faith. If the Domain Name would cause confusion if ever put, then it could trigger a finding of bad faith.
- 41. In light of the foregoing, the Panel finds that the Complainant has established bad faith as per paragraphs 3.5(c) and 3.5(d).

DECISION & ORDER

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

Dated at Ottawa, Ontario, Canada, this 30th day of June, 2021.

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Eric Macramalla