

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

**Domain Name:** ICE-WATCH.CA

**Complainant:** ICE IP S.A  
**Registrant:** CanWest Distributors  
**Registrar:** Network Solutions Canada ULC

**Panel:** David Lametti (Chair)  
Teresa Scassa  
Myra Tawfik

**Service Provider:** ResolutionCanada

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**DECISION**

**A. The Parties**

1. The Complainant is ICE IP S.A., a company established under the laws of Luxembourg. Its corporate address is rue des Tilleuls 3, L-8832 Rombach, Luxembourg. The authorized representative of the Complainant is Mr Eric Macramalla, Gowling Lafleur Henderson LLP, 160 Elgin Street, Suite 2600, Ottawa, Ontario K1P 1C3.

2. The Registrant is CanWest Distributors. The contact person is Mr Guenther Rapp, Glenwood Commerce Centre, 3235-6165 Highway 17, Delta, British Columbia, Canada, V4K 5B8

**B. The Domain Name and Registrar**

3. The domain name at issue is ICE-WATCH.CA.

4. The domain name is registered with Network Solutions Canada ULC.

**C. Procedural History**

5. On 10 September 2014, the Complainant submitted this Complaint to the Domain Name Dispute Resolution Provider, ResolutionCanada. The Provider served notice of the Complaint to the Registrant as required by paragraph 4.3 of the *CIRA Domain Name Dispute Resolution Rules* (version 1.4) [“Rules”].

6. A Response was received from the Registrant before 9 October 2014. That Response was deemed by the Provider to not have been in administrative compliance with the Rules and the *CIRA Domain Name Dispute Resolution Policy* (version 1.3) [“Policy”],

and a Notice of Deficient Response was sent to Mr Rapp on 9 October 2014. The specific points of deficiency were identified, and the Registrant was given 10 days to correct them. The Registrant was warned that failing to correct in the allotted time period would mean that the dispute would be decided on the basis of the Complainant's materials alone.

7. No corrections were received from the Registrant.

8. The Provider therefore composed a panel of three, all as governed by the Rules. The Panel has proceeded on the basis of the Complaint and documents filed by the Complainant in support of the Complaint, without any recourse to the deficient Response.

#### **D. Panel Member Impartiality and Independence Statement**

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

#### **E. Canadian Presence Requirement**

10. The Complainant holds the Canadian registered trademark ICE-WATCH and thus satisfies the Canadian Presence Requirement as stated in paragraph 1.4 of the Policy.

#### **F. Factual Background**

11. The Complainant was founded in 2006, and sells watches worldwide. It owns the Canadian trademark registration for ICE WATCH and has been operating a website at ICE-WATCH.COM since 2006.

12. The Registrant, a distributor of international goods in Canada as per its website, registered the domain name at issue on 10 September 2009. The Complainant asserts in the Complaint that this registration was done without the knowledge or permission of the Complainant. Emails contained in Exhibit 8 sent to the Registrant during the dispute make the same assertion.

13. The Registrant became the distributor of the Complainant by way of formal agreement, the "Distribution Agreement", on 12 February 2010. This agreement was terminated by the Complainant on 27 February 2012.

14. The Registrant, in an email exchange contained in Exhibit 8 of the Complaint, claims to have been the distributor for the Complainant at the time of registration, and claims to have been "encouraged to advertise, start [its] own web stores and register [its] own domains."

15. The Distribution Agreement requires the disposition or transfer of domains names to the Complainant on termination of the Agreement.

16. The Complainant has directed this transfer of the domain name to it. The Registrant has refused to transfer. The Complainant had offered the sum of \$1500 as a final offer, but this time-limited offer appears to not have been accepted when the Registrant instead claimed \$40,000 in advertising expenses that it maintained that it was owed.

17. The Distribution Agreement, at Clause 25.9, governs the resolution of any disputes arising out of that Agreement. Specifically, the choice of forum clause stipulates that the laws of Hong Kong will apply and the courts of Hong Kong will have “exclusive jurisdiction to adjudicate any dispute arising under or in connection with this Agreement.”

18. The disputed domain name does not currently resolve to an active web page.

19. The Complainant filed this Complaint with CIRA on 10 September 2014.

### **G. Preliminary Remark**

20. The context of the business relationship between the parties, as evidenced by the presence of the Distribution Agreement and email exchanges, has given rise to a number of legal issues, primarily in the law of contracts, which are beyond the purview of a panel established under CIRA. This decision is rendered only on grounds contained in the proceedings which are within the parameters of the CIRA Policy and Rules.

### **H. CIRA Domain Name Dispute Resolution Policy Requirements**

21. The *CIRA Domain Name Dispute Resolution Policy* (version 1.3) [“Policy”] sets out at paragraph 4.1 what the Complainant must establish in order to successfully prove the Complaint:

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 3.5;

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.

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 . . .

22. The resolution of this dispute turns on the second criterion.

### **I. Is the Registrant's Domain Name Confusingly Similar to the Complainant's Mark?**

23. Paragraph 3.2 of the Policy includes the following in the definition of what constitutes a "mark" for the purposes of the Policy:

A "Mark" is:

- (a) a trade-mark . . . or a trade name that has been used in Canada . . . for the purpose of distinguishing the wares, services or business of that person . . . from the wares, services or business of another person;
- (b) a certification mark, including the word elements of a design mark, that has been used in Canada by a person or the person's predecessor in title, for the purpose of distinguishing wares or services that are of a defined standard; [and]
- (c) a trade-mark . . . that is registered in CIPO . . .

24. On one hand, on its face, the domain name ICE-WATCH.CA and the registered trademark ICE WATCH are effectively identical and thus, if compared as part of an analysis under paragraph 4.1 of the Policy, would likely be confusingly similar for the purposes of the dispute.

25. On the other hand, the analysis of whether the Complainant has right in the mark under paragraph 3.2(a) of the Policy would not be altogether straightforward in this case. The Policy requires that the Complainant have rights in the mark at the time of registration of the domain name. In this case, the Canadian trademark registration was filed in 2010. The domain name was registered in 2009. The Complainant argues that it had common law rights in the mark which predated this registration. The evidence it has provided -- two samples of undated materials and the assertion that it sold 400 watches between July 2009 and the date of registration of the domain name -- may not be sufficient to determine the question of whether the Complainant has established that they had rights in the mark, in Canada, prior to the registration of the domain name.

26. While the Panel has concerns on this point, it has chosen to decide the matter solely on the issue of bad faith.

### **J. Was the Registration of the Domain Name Made in Bad Faith?**

27. The heart of this matter lies in the question of whether or not the registration was made in bad faith.

28. In order to succeed in the second stage of the test set out in paragraph 4.1, the Complainant must show, on the balance of probabilities, that the Registrant registered the domain name in bad faith. Paragraph 3.5 of the Policy states that the Registrant will be considered to have registered the domain name in bad faith, generally if one of the following four conditions is met:

For the purposes of paragraphs 3.1(c) and 4.1(b), any of the following circumstances, in particular but without limitation, if found by the Panel to be present, shall be evidence that a Registrant has registered a domain name in bad faith:

- (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;
- (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; or
- (d) the Registrant has intentionally attempted to attract, for commercial gain, Internet users to the Registrant's website or other on-line location, by creating a likelihood of confusion with the Complainant's Mark as to the source, sponsorship, affiliation, or endorsement of the Registrant's website or location or of a product or service on the Registrant's website or location.

29. These criteria are not exhaustive by the explicit wording of the Policy. Other kinds of behaviour may constitute bad faith under the Policy.

30. The Complainant attempts to fit the registration of the domain name by the Registrant under paragraphs 3.5(a), (c) and (d). It is incumbent on the Complainant, according to the Policy, to dispel any doubts about bad faith by showing that, on the balance of probabilities, there could be no good faith. In the view of the Panel, the Complainant has

not borne the burden of showing that any of these instances are applicable to the present circumstances.

31. The email exchanges in the Exhibit indicate that the Respondent believed it was acting as the distributor of the Complainant at the time of registration of the domain name. The Complainant has not offered any evidence to show that such was not the case. The presence of the Distribution Agreement, concluded after the actual registration date, does nothing in and of itself to dispel the distinct possibility that the Registrant – as Mr Guenther states in the email – was already acting as the distributor for the Complainant prior to the formal agreement, or indeed was registering in good faith in the legitimate belief that it would become the distributor. In the latter case, this good faith belief might then have been confirmed by the formal Distribution Agreement. Given this email exchange contained in the record, and the presence of a Distribution Agreement which remained in effect for over two years, during which time the domain name registration was not challenged by the Complainant as having been in some way illegitimate, a real and serious doubt arises as to whether it can be claimed that the Registrant was acting in bad faith. The Complainant has merely presumed bad faith without offering any evidence to support its claim and without ever addressing the issue of the email exchanges that appear to suggest a good faith relationship between the parties that led to the registration of the domain name.

32. Given this possibility, it has not been proven that the registration was undertaken to sell the domain name to the Complainant under paragraph 3.5(a). Indeed, it remains plausible, even probable, that the Registrant registered in good faith precisely to help sell the Complainant's watches. The financial figure requested by the Registrant is not a result of the domain name registration "to-sell-for-a-profit" as such but rather is the result of a subsequent contractual-business dispute which is beyond the purview of this Panel.

33. Along similar lines, it has not been proven that the registration was undertaken to disrupt the Complainant under paragraph 3.5(c). It remains plausible that the Registrant registered in good faith to further and fulfill the business goals of the Complainant, with the Registrant acting as a legitimate distributor. The arguments raised by the Complainant do not address, let alone dispel, this very real possibility.

34. Finally, again along similar lines, it has not been proven that the registration was undertaken to attract traffic to the Registrant's site to the detriment Complainant under paragraph 3.5(d). It remains at least plausible that the Registrant registered the domain name in good faith to attract customers to a site that was in effect both the Registrant's and the Complainant's and in which both parties would get their due share as per their agreement. In such a scenario, the standard confusion arguments do not apply, as the registration of the domain name by the Registrant would not have caused confusion.

35. The Panel notes that the disputed domain name does not resolve to either an active website or a parking page.

36. While the Policy does allow for the consideration of the Registrant's behaviour after registration, whether isolated acts or acts as part of a pattern, as a means of determining the bad faith of the Registrant, the overall inquiry sets out to determine whether the Registrant was in good or bad faith *in registering* the domain. One might be able to envisage circumstances in which the breach of a termination agreement, and failure to transfer a domain name back to a trademark holder upon termination, might be a factor in determining a bad faith registration under the Policy. In this case, however, the failure to transfer appears to be linked to a contractual dispute between the parties that does not go to the reasons for registering the domain in the first place, but rather to a subsequent falling out. The circumstances in the WIPO cases cited by the Complainant are thus quite different and distinguishable [*UVA Solar GmbH & Co K.G .v. Mads Kragh*, WIPO Case No. D2001-0373; *Maree Gaye Miller v. Peter Horner*, WIPO Case No. D2008-1492]. The subsequent contractual dispute is beyond the jurisdiction of the Panel, and the Complainant has not shown it to be linked to the Registrant's good or bad faith at registration. The Complainant has thus not borne its evidentiary burden as regards the question of bad faith under the Policy.

37. The Panel thus concludes that the Complainant has failed to show that the Registrant registered the domain name in bad faith as defined by the Policy or under terms analogous to the kinds of criteria enunciated in the Policy.

#### **K. Does the Registrant Have a "Legitimate Interest" in the Domain Name?**

38. Given the finding above on lack of proven bad faith, this question need not be answered. However, it is worth noting that if the Registrant's stated belief that it was acting as the distributor of the Complainant was indeed the case, then the Registrant might have well had a legitimate interest in registering the domain name. As discussed above, the Complainant has failed to address this potential good faith belief whose possibility was evidenced in the email exchange between Complainant and Registrant.

#### **L. Conclusion and Decision**

39. The Complainant has not established that the domain name was registered in bad faith as defined by the Policy.

40. For this reason, the Complaint fails.



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David Lametti  
Chair

For Panelists Teresa Scassa and Myra Tawfik.

25 November 2014