

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

Dispute Number: DCA-1432- CIRA

Domain Name: kay.ca (“Domain Name”)

Complainant: Sterling Jewelers, Inc.
375 Ghent Road
Akron, Ohio 44333

Complainant’s Counsel: Leota L. Tennant

Registrant: Hiba Alnatour
296 Verdun Street
Suite #101
Beirut, Lebanon

Registrant’s Counsel: Zak Muscovitch – The Muscovitch Law Firm

Registrar: MyID.ca (Creative Pixels Inc.)
33 Hazelton Ave, Suite 311
Toronto, ON M5R 2E3

Panellists: Hugues G. Richard, Chair,
Douglas M. Isenberg and
Thomas Manson (the “Panel”)

Service Provider: British Columbia International Commercial Arbitration Centre
 (“BCICAC”)

DECISION

A. THE PARTIES

1. The Complainant is Sterling Jewelers, Inc., 375 Ghent Road, Akron, Ohio 44333.
2. The Complainant’s Counsel is Leota L. Tennant.
3. The Registrant is Hiba Alnatour, 296 Verdun Street, Suite #101, Beirut, Lebanon.
4. Registrant’s Counsel is Zak Muscovitch from The Muscovitch Law Firm.

B. THE DOMAIN NAME AND REGISTRAR

5. The Domain Name in issue is: "KAY.CA".
6. The Registrar is: MyID.ca (Creative Pixels Inc.)
7. The Domain Name was registered by the Registrant on February 16th, 2011.

C. PROCEDURAL HISTORY

8. The British Columbia International Commercial Arbitration Centre ("BCICAC") is a recognized service provider pursuant to the CIRA Domain Name Dispute Resolution Policy ("CDRP") of the Canadian Internet Registration Authority ("CIRA").
9. The above named Complainant submitted a Complaint in electronic form with respect to the above-referenced domain name in accordance with the CDRP on October 4, 2012.
10. The Complaint was reviewed and found to be compliant. The Registrant's name was not published in the public WHOIS database; the Centre contacted the CIRA office in order to obtain the Registrant's contact information. By letter and email dated October 9, 2012, BCICAC as Service Provider forwarded a copy of the Complaint with Exhibits to the Registrant.
11. The Registrant requested an extension for delivery of its Response, and the extension was granted by the BCICAC as permitted under Rule 5.4.
12. The Registrant delivered its Response in electronic form on October 31, 2012. The Response has been reviewed pursuant to Paragraph 5.5 of the Rules and found to be in compliance with the Policy and Rules. A copy of the Response together with the Exhibits was forwarded to counsel for the Complainant on October 31, 2012.
13. On November 2, 2012 counsel for the Complainant contacted the Centre requesting to file a response with respect only to the issue of the Registrant's legitimate interest (or lack thereof) in the kay.ca domain name, as permitted under Rule 11.1, where the registrant's name is not published in the public WHOIS database. Therefore, the request of the Complainant to file a Response as permitted under Rule 11.1 was granted. On November 9, 2012, the Panel received via email the response filed by Mr. Tennant on behalf of the Complainant with respect to the issue of the Registrant's legitimate interest in the kay.ca domain name, as permitted under Rule 11.1.
14. On November 13th, 2012, the Panel received the Respondent's Objection to the Complainant's submission.

D. PANEL MEMBER IMPARTIALITY AND INDEPENDENCE

15. As required by the *CIRA* Rules, paragraph 7.1, we the panellists, Hugues G. Richard, Douglas M. Isenberg, and Thomas Manson, have declared to the Provider that we can act

impartially and independently in respect of this matter as there are no circumstances known to us which would prevent us from so acting.

E. ELIGIBILITY OF THE COMPLAINT

16. According to section 1.4 CDRP, the person initiating a Complaint must, at the time of submitting the Complaint, satisfy the Canadian Presence Requirements for Registrants (the “CPR”) in respect of the domain name that is the subject of the Complaint unless the Complaint relates to a trade-mark registered in the Canadian Intellectual Property Office (“CIPO”) and the Complainant is the owner of the trade-mark.

17. The Panel considers that the Complainant does not satisfy the CPR but it acknowledges however that the Complainant is eligible to bring forth its Complaint due to the fact that the Complaint relates to a trade-mark owned by the Complainant and registered in CIPO, as per section 1.4 CDRP. Given that the only mark registered by the Complainant in the present matter is KAY JEWELERS, the Panel will proceed with its analysis and make its decision based on that mark alone.

F. POSITION OF THE COMPLAINANT

18. Despite the Panel’s decision to exclude the KAY mark from consideration in the present matter, the Panel will nonetheless present the assertions brought forth by the Complainant in regards to that mark. The Complainant’s assertions regarding its KAY JEWELERS mark, which has been deemed by the Panel to be eligible, will also be explored.

19. The Complainant asserts that since its founding in 1916, it has grown Kay Jewelers from a single store to a multi-national company under the KAY mark, serving customers in both Canada and the United States. The Complainant states that it has invested heavily in the KAY mark, and as a result of extensive advertising and promotion, the KAY name now embodies a substantial and valuable amount of goodwill with consumers and professionals in the jewelry industry.

i) Rights of the Complainant in the Kay trade-marks

20. Complainant registered the KAY JEWELERS mark in Canada in 1999 in association with the retail sale of jewelry.

21. Complainant filed for registration of the KAY mark in Canada in 2011 based on proposed use and it has been approved and was advertised on August 22, 2012.

22. Complainant registered the KAY mark in the United States in 1963 and it claims it has continuously and exclusively used the mark since that time.

23. The Complainant asserts that it has used the KAY JEWELERS and KAY marks in Canada since 1999 to distinguish its provision of jewelry retail services and continues to use the mark in a similar capacity.

24. The Complainant states that the Domain Name KAY.CA was registered on February 16, 2011, over ten years after the Complainant began using the KAY JEWELERS and KAY marks in association with the sale of jewelry in Canada, and sixteen years after KAY began using the KAY mark in association with its website Kay.com.

ii) Confusingly similar – Paragraph 3.1(a), 3.4

25. The Complaint argues that the Domain Name is identical to the KAY mark and as such is confusingly similar to the mark on its face and therefore confusingly similar to the average Internet user.

26. The Complainant notes that the Registrant does not avoid confusion by appropriating the entire mark in a domain name.

iii) Registration in bad faith

27. The Complainant argues that the Registrant registered the Domain Name in bad faith as described in paragraph 3.5 of the Policy.

28. According to the Complainant, the site appears to have been registered primarily for the purpose of selling the Registration to the Complainant or a competitor of the Complainant for valuable consideration in excess of the Registrant's actual costs in registering the Domain Name, or acquiring the Registration. The Complainant states that when it offered to purchase the Domain Name for the advertised bidding price of \$2,500 through the MyID.ca marketplace, the Complainant received a counter offer for the sale of the name for \$17,500.

29. The Complainant notes that the Domain Name is not currently in use for any non-commercial purpose.

iv) No legitimate interest in the Domain Name

30. According to the Complainant, the Registrant does not have a legitimate interest in the Domain Name as defined by Paragraph 3.4 of the Policy.

31. The Complainant asserts that the site using the Domain Name is not currently being used for a personal or non-commercial purpose. Rather the site advertises that it is "for sale," directs the viewer to "buy it now," and provides contact information for MyID.ca. As such, Complainant claims that it is apparent that the Registrant does not have a legitimate interest in the Domain Name.

32. The Complainant asserts specifically that the Registrant does not have any valid rights in the KAY mark; the Domain Name is not descriptive, generic, or reflective of the Registrant's legal name or geographical location, and that the Registrant registered the site in association with the commercial sale of domain names.

v) Relief Sought

33. The Complainant requests that the Domain Name be transferred from the Registrant to the Complainant.

G. POSITION OF THE REGISTRANT

i) Rights of the Registrant in the Domain Name and the legitimacy of Domain Name purchasing/selling

34. The Registrant, who is a Canadian citizen, states that she registered the Domain Name on or about May 5, 2011. She states that she acquired the Domain Name on the very same day that she also acquired three other three-letter domains, namely dhe.ca, ihp.ca, and uae.ca.

35. The Registrant states that she acquired all four of the aforementioned domains by purchasing them through MyID.ca, which is an online marketplace for the buying and selling of already-registered domains. Accordingly, the Registrant asserts that MyID.ca presents thousands of dot.ca domains that have been offered for sale to the public by their respective registrants.

36. According to the Registrant, the domains offered are predominantly descriptive and/or generic domains, including hundreds of two- and three-character domains that are scarce, and are therefore considered to be valuable, particularly since acronyms are so widely used in business. The buying and selling of generic and descriptive domains is a legitimate industry and business that generates many millions of dollars in revenue worldwide. Sales are made to companies large and small, sometimes for small sums, and sometimes for many millions of dollars.

37. Furthermore, the Registrant asserts that generic domains, such as common first names and common last names, are often sold by domain investors to people who want an email address or website that corresponds to their first or last name. Likewise, entrepreneurs who plan on starting a business often purchase generic domains from domain investors, to brand their new enterprises. Even established companies seek to purchase generic domains that they feel can be of benefit to their business development.

38. According to the Registrant, at no time since becoming the official dot.ca registry for dot.ca domains on December 1, 2000, has CIRA ever enacted any regulation or policy which prohibits the trading in generic or descriptive domains. There are no rules about how many domains someone can register, buy, or sell, as long as they meet the Canadian Presence Requirements established by CIRA. Likewise, there are no prohibitions whatsoever on what names may be registered, sold, or bought, provided that the CPR has been met and provided that the domain is not an abusive registration.

39. The Registrant asserts that the reason for registering the Domain Name was the same reason that she registered in good faith, the other three three-letter domains that she purchased that very same day, namely, that they were scarce three-character, generic domains which are capable of being used by a multitude of users, and not because she targeted anyone's trademarks.

40. The Registrant states she was specifically interested in this Domain Name because it was not only a potential acronym, but it was also an extraordinarily common first name and surname.

41. The Registrant points out that there are also numerous Canadian registered trademarks comprising the name, "Kay".

42. According to the Registrant, prior to receipt of the Complaint in this matter, she had never even heard of the Complainant or its purported trademarks.

43. The Registrant states that she is in the legitimate business of acquiring and re-selling generic and descriptive domains, and in fact owns numerous generic and descriptive .ca domains.

44. The Registrant asserts that the Complainant's reason for bringing forth this Complaint was the price set by Registrant. According to the Registrant, the Complainant ostensibly feels it should have been able to buy the Domain Name for \$2,500.00.

ii) Rights of the Complainant in the Kay trade-mark

45. Registrant points out that the Complainant has no registered trademark for KAY alone, it has a mere application based on proposed use. Although the application has been "approved" by CIPO, no declaration of use has been filed. An approved application does not have the same status as a registration, and in fact affords no registered trademark rights whatsoever until actually registered.

46. Registrant notes that pursuant to Paragraph 3.1(a) of the CDRP, only a mark that pre-dates a domain registration may serve as a basis for a complaint.

47. Registrant notes that Complainant has no retail jewelry stores in Canada, which makes the use of its mark impossible.

iii) Lack of Kay Jewelers Presence in Canada

48. The Registrant points out that all of Sterling and Signets retail jewelry stores are located exclusively in the United States and the United Kingdom. Further, as of *at least* March 30, 2011, neither Complainant nor its parent operated *any* retail stores in Canada. Effectively, the Registrant states that neither Complainant nor its parent has had any "retail jewelry stores" in Canada for at least the last four years, and perhaps much longer, if at all.

49. The Registrant points out that the Complainant does not even permit purchase of items by Canadians; shipping of items to Canada from its online website is prohibited. Effectively, a U.S. issued credit card billing address and a U.S. shipping address is required for every delivery, and items may only be picked-up at its U.S. retail jewelry stores.

50. According to the Registrant, there is no basis for any finding of common law rights in connection with either of these purported marks, nor is there any basis for a finding that these purported marks are well known in Canada. Complainant's trademark rights, if any, are therefore

strictly limited to its purported KAY JEWELERS mark, and have not been demonstrated to exist apart from that.

iv) Confusingly similar

51. The Registrant states that the Complainant only alleges that the Domain Name is confusingly similar *with its purported KAY mark*. Complainant has not demonstrated any registered or even common law trademark rights in KAY in Canada which pre-exist the Domain Name registration.

52. According to the Registrant, while the Complainant has not alleged that KAY JEWELERS is confusingly similar with the Domain Name, it is respectfully submitted that it is not confusingly similar with the Domain Name. Given the obvious difference, namely the addition of the key word, JEWELERS, the Registrant asserts that it is not plausible for there to be confusion between the purported mark and the Domain Name.

53. The Registrant asserts that there are “too many Kays out there to necessarily draw a connection between KAY.CA and KAY JEWELERS”.

v) No legitimate interest in the Domain Name

54. Registrant claims she has a two-fold legitimate interest in the Domain Name:

a) The Domain Name was registered in good faith in association with Respondent’s business of acquiring and re-selling generic personal name domains, and the Domain Name is understood to be a generic first and last name, pursuant to Paragraph 3.4(c) of the Policy; and

b) Registrant has a general inherent right and general legitimate interest in registering generic and descriptive domains, such as KAY.CA, in good faith.

55. According to the Registrant, the Registration of a generic domain, even when it is not developed in association with particular wares or services, can constitute a legitimate interest. Effectively, the Registrant asserts that the Complainant has failed to demonstrate that Respondent has no legitimate interest, and conversely, that the Complainant has legitimate interest in the Domain Name.

vi) Registration in bad faith

56. According to the Registrant, there can be no bad faith registration when a disputed domain is generic and was not registered to target a particular trademark owner’s trademark. Absent direct proof that a generic domain was registered solely for the purpose of profiting from the Complainant’s trademark rights, there can be no finding of bad faith registration and use;

57. The Registrant asserts that there is no evidence she registered the Domain Name to target Complainant. By registering a generic domain, the Registrant does not violate the rights of all entities that have interests in the corresponding mark.

58. The Registrant denies ever having heard of Complainant's purported marks; moreover, she says that the Complainant has not provided any evidence of reputation or use which would show that the Respondent ought to have heard of the Complainant's purported marks.

H. COMPLAINANT'S ADDITIONAL SUBMISSION

59. With respect to the issue of the Additional Submission by the Complainant and the Objection by the Respondent, the Panel exercises its power under 9.1(a) of the Rules and accepts the additional filing.

I. ANALYSIS AND FINDINGS

60. Section 4.1 of the CDRP sets out that, to succeed, the Complainant must establish 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 as described in paragraph 3.4.

61. It is the opinion of the Panel in the present matter that, for the reasons that follow, the Complainant has not met its burden under paragraph 4.1.

Firstly, the Complainant has not established that the Registrant's Domain Name is confusingly similar to the mark in which the Complainant had rights prior to the date of registration of the Domain Name, namely KAY JEWELERS.

Furthermore, the Complainant has not established that the Registrant registered the Domain Name in bad faith.

Given that the Complainant has not established these two criteria, the element regarding legitimate interest will not be examined further.

Paragraph 4.1(a) - confusingly similar criteria

62. To succeed in meeting its onus under paragraph 4.1(a), the Complainant has to show that it has rights, in a Mark, and that the disputed Domain Name is confusingly similar to that Mark. As the Panel noted earlier, only the KAY JEWELERS mark will be examined.

63. Paragraph 3.4 of the Policy provides a definition of the term 'Confusingly Similar'. The Policy requires a finding that the Mark at issue is likely to be mistaken for the domain name at issue because of the resemblance in "appearance, sound or the ideas suggested by the Mark". As such, the test is not one of confusion, as is normally found in Canadian trademark jurisprudence, but of resemblance.

64. It is this Panel's opinion that a person in Canada knowing the Complainant's mark, KAY JEWELERS, would not mistake the Domain Name for the Complainant's corresponding mark.

65. The Registrant has provided ample evidence to suggest that the word 'KAY' is generic and common in nature, and that it would be unlikely that it would be confused for KAY JEWELERS. The Complainant, on its end, could have provided evidence of use in Canada in regards to the mark KAY JEWELERS, which could have supported the likelihood of confusion. No evidence of this nature was provided to the Panel.

66. Ultimately, there is nothing provided by the Complainant that would lead the Panel to conclude that the Domain Name is confusingly similar to the Complainant's mark, KAY JEWELERS.

Paragraphs 3.1(c), 3.5 and 4.1(b) – Registration in Bad Faith

67. Paragraph 3.5 states that 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.

68. The Panel finds that the Complainant has failed to discharge its burden of proof under any of the above circumstances and has further failed to prove other circumstances which would have established that the Respondent registered the Domain Name in bad faith.

69. Without restricting the generality of the foregoing (and simply taking the evidence as it is), the Panel cannot conclude that the Registrant registered KAY.CA in order to sell it to the Complainant or that the Registrant registered KAY.CA in order to prevent the Complainant from registering the Mark as a domain name.

70. The "KAY" word is simply too common. Indeed, the Panel finds that the Domain Name has nothing to do with Complainant or its purported trademarks.

71. Again, the Complainant must prove bad faith on a balance of probabilities. The Panel finds that there is insufficient evidence to make a finding on this point. Therefore, the Panel finds that the Complainant has not made out its case under paragraph 4.1(b), that on the balance of probabilities, the Registrant registered the Domain in bad faith.

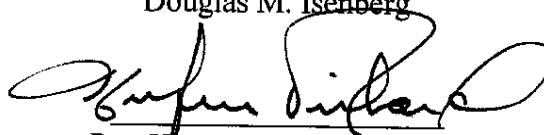
J. ORDER

72. For the above reasons, the Panel finds that the Complainant has not satisfied the onus placed upon it by section 4.1 (a) and (b) of the Policy. Accordingly, the complaint in respect of "KAY.CA" is dismissed.

Hugues G. Richard, Chair

Douglas M. Isenberg

Thomas Manson



Per: Hugues G. Richard, Chair

Date: November 20, 2012