

IN THE MATTER OF A COMPLAINT PURSUANT TO THE
CANADIAN INTERNET REGISTRATION AUTHORITY (CIRA)
DOMAIN NAME DISPUTE RESOLUTION RULES (the Rules)

Complainant: ArcelorMittal SA

Complainant Counsel: Laurent Becker, Nameshield

Registrant: NETNIC Corporation Protective Registration Services

Panel: Harold Margles (Chair), David Allsebrook, Melvyn J. Simburg

Service Provider: British Columbia International Commercial Arbitration Centre

BCICAC File Number: DCA 1430-CIRA

The Parties, Domain Names and Registrar

1. The Complainant is a Luxembourg Corporation. With its various affiliates and subsidiaries, it is a combination of the world-wide Arcelor and Mittal steel companies which merged in 2007.

2. The Registrant is NETNIC Corporation Protective Registration Services, hereinafter referred to as "Netnic". Netnic identifies itself as:

"the nominal registrant of the arcelormittal.ca domain name and notes that the beneficial registrant of arcelormittal.ca is a natural person from a family which held Dofasco shares, then TFX symbol DFS, not residing in Prince Edward Island, as a customer of Netnic who uses the privacy service, registration service, and e-mail and hosting service of the company."

3. Disputed Domain Name: ARCELORMITTAL.CA

4. The Registrar: DOT-CA-REGISTRY.CA
(Bumac Business Systems Ltd.)

5. The Domain Name was registered by the Registrant on June 26, 2006, one day after the merger agreement between Arcelor and Mittal was announced publicly.

Decision

6. The Complainant is one of a number of affiliated companies around the world, which collectively are the largest producers of steel in the world. It is the successor by merger to European steelmaker Arcelor S.A. and Indian steelmaker Mittal Steel Company.

7. Mittal Steel Company announced a takeover bid for Arcelor in January 2006. Arcelor completed its already ongoing acquisition of Canadian steel company Dofasco shortly thereafter. According to the Registrant's evidence, the future ownership of Dofasco became an issue in Arcelor's resistance to the Mittal bid. Arcelor arranged to sell Dofasco to a third party at a discounted price if the Mittal bid succeeded, in an attempt to discourage Arcelor's takeover by Mittal. (Registrant's evidence Tab B). On June 25, 2006, Arcelor and Mittal announced their agreement to merge. The Complaint states that this is the date the Complainant was founded. However the Registrant says the merger was not completed until November 17, 2007, which the panel accepts as the date the Complainant was founded.

8. As noted above, the Registrant claims to hold the domain name in trust for an anonymous beneficial owner. The beneficial owner of the domain name's family held shares in Dofasco, a Canadian steel company, prior to Dofasco's acquisition by Arcelor. The Registrant provides considerable detail of the progress of the Arcelor Mittal hostile takeover and the role of Dofasco ownership in the respective strategies of Arcelor and Mittal. The Panel infers that the undisclosed beneficial owner of the domain name had familiarity with the Arcelor and Mittal names and trademarks, as well as prior knowledge of the negotiations and issues among the minority shareholders concerning the proposed merger, well before the registration of the domain name and the announcement of the agreement to merge.

9. The trademark ArcelorMittal was registered in Canada on December 12, 2010, by Arcelor Mittal societe anonyme Luxembourg as TMA 783952. Its representative for service was the Quebec firm of Robic. The registration was allowed on May 21, 2010, for a significant variety of products and services relating to steel. The Complainant has adduced no evidence to show that Arcelor Mittal was used as a trademark in Canada at any time prior to the merger by Mittal with Arcelor being completed.

10. The Complainant and its affiliates, have trademark registrations in Canada for steel products and services as follows:

ArcelorMittal TMA 783952 registered December 2, 2010

Arcelor TMA 604328 registered March 5, 2004.

Mittal TMA 755425 registered December 16, 2009,
relying on a 2004 registration in New Zealand

MITTAL TMA 685859 filed May 31, 2005, registered
April 4, 2007

11. There are several companies which were successors to specific Dofasco subsidiary companies, each of which changed its respective name to incorporate ArcelorMittal therein, such as ArcelorMittal Tubular Products Canada Inc. However, such name changes were effected in November, 2011.

12. The Complainant had Rights in Arcelor and Mittal prior to June 26, 2006. All of the trademark and corporate activities on behalf of the Complainant were affected after the June 26, 2006, registration of the Domain Name by the Registrant Netnic.

13. To have standing to bring a complaint under the current CIRA Domain Name Dispute Resolution Policy, version 1.3 (the Policy),

"1.4 Eligible Complainants.

The person initiating a Proceeding (the "Complainant") must, at the time of submitting a Complaint (the "Complaint"), satisfy the Canadian Presence Requirements for Registrants (the "CPR") in respect of the domain name that is the subject of the Proceeding unless the Complaint relates to a trademark registered in the Canadian Intellectual Property Office ("CIPO") and the Complainant is the owner of the trademark."

14. The evidence satisfies the Panel that prior to the merger, each of the trademarks Arcelor and Mittal was used extensively around the world by their then respective owners, in association with steel products and services. Such knowledge can be attributed to the beneficial owner of the domain name and is reflected in its decision to choose that particular domain name and date for its registration. The holder of each of the trademarks had a right to prevent the misuse of its trademark by a similar use of such mark in a domain name which would be confusingly similar thereto.

15. At the date of the bringing of this proceeding, October 2, 2012, the Complainant, ArcelorMittal S.A. owned the registered trademark ARCELORMITTAL in Canada, which was registered on December 2, 2010.

16. The Panel concludes that the Complainant has standing to bring this Complaint because it was the owner of the registered trademark ArcelorMittal at the date of bringing this Complaint.

17. The first of three tests a Complaint must satisfy is set out in section 3.1(a) of the Policy:

“3.1 Applicable Disputes.

A Registrant must submit to a Proceeding if a Complainant asserts in a Complaint submitted in compliance with the Policy and the Resolution Rules 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.”

The Policy defines “Confusingly Similar” as follows:

“3.3 Confusingly Similar

In determining whether a domain name is “Confusingly Similar” to a Mark, the Panel shall only consider whether the domain name so nearly resembles the Mark in appearance, sound or the ideas suggested by the Mark as to be likely to be mistaken for the Mark.”

18. Despite the capitalization of the term “Rights”, the term is undefined in the Policy. The definition found in the previous version of the Policy was deleted. The CIRA web site explains the reason for the deletion was to eliminate overly technical interpretations of what constitutes “rights”.

“ ‘Rights’ and ‘Use’ of a Trademark Removed. CIRA has removed the provisions in the CDRP Policy relating to “rights” and “use” of a Mark. CIRA is of the view that these provisions have created overly technical and complex requirements in terms of what rights qualify for protection. This change will bring the CDRP in line on this issue with the Uniform Domain Name Dispute Resolution Policy (UDRP) used for top-level domain names, as well as in line with the dispute resolution processes of other major ccTLD” <http://www.cira.ca/legal/cdrp/revised-policy-rules/> registries.”

19. The Complainant relies upon “the likelihood of confusion between the disputed domain name, arcelmittal.ca, and the Complainant, its trademarks and its domain names associated.”

20. In applying the "Confusingly Similar" test, this Panel adopts the practice followed in all CDRP decisions of omitting consideration of the ".ca" suffix. Similarly, the panel disregards the suffix "S.A.", which is common to many corporations and does not influence the perception of the name. The result of this comparison is that the domain name *arcelormittal.ca* and the Complainant's name ArcelorMittal SA are identical.

21. The next issue in applying the test is to determine whether the Complainant ArcelorMittal SA had Rights in the name prior to the registration of the domain name.

22. The Complainant is the product of a merger of two of the world's largest steel companies, Arcelor S.A. and Mittal Steel Company. The Registrant gives a history of the merger process emphasizing various obstacles to its completion. A hostile takeover bid was announced by Mittal Steel in January 2006. The acceptance of the takeover offer was announced on June 25, 2006. Media accounts of the agreed merger bearing that date give the name of the proposed entity or group as "ArcelorMittal" (Annex 3, page 11, per l'Union.), "Arcelor-Mittal" (Annex 3, page 12, per Le Monde, page 22 per BBC News), "Arcelor Mittal" (Annex 3, page 15, per Asia Times).

23. Arcelor S.A. and Mittal Steel officially merged on November 13, 2007, about a year and a half after the *arcelormittal.ca* domain name was registered.

24. The domain name was registered on June 26, 2006, the day after the new name was announced. The new name is an amalgam of the names of two very well known companies – Arcelor and Mittal. Between them they made about 10 percent of the world's steel and employed 320,000 people. The new name ArcelorMittal simply adds together the goodwill in the separate names. At the date of the announcement, the predecessor companies owned the goodwill in their respective names and the goodwill in the new name attributed to their proposed merged entity. The merged entity is the successor to the Rights of its predecessor companies. Accordingly, the Panel finds that the Complainant ArcelorMittal SA had Rights in the name prior to the registration of the domain name.

25. The Registrant objects that no use was made of the ArcelorMittal mark in Canada until after the Registration. In the Panel's opinion use was not necessary. Use would have merely enhanced the reputation the name enjoyed worldwide, including Canada, from the moment of its announcement and the conjunction of two famous Marks. Use in Canada is not a prerequisite to the recognition of Rights in Canada. *Orkin Exterminating Co. Inc. v. Pestco Co.* 1985 CanLII 157 (ON CA).

26. The Registrant cites the CDRP decision in *Ebates Canada, Inc. v. Cranhill and Company*, where the panel rejected a Complaint because the Complainant

did not exist before the domain name was registered. In that case the Complainant was a Canadian company incorporated long after the domain name was registered. It was not the product of a merger. It based its Complaint on a trademark license from a company which had existed at the relevant time but which was not a Complainant. The panel did not accept that a trademark license could overcome the Complainant's lack of existence at the date it needed to hold Rights in the Mark.

27. That is not the situation of a Complainant company created by a merger of two companies which did exist before the domain name was registered. The merged company succeeds to the rights of its predecessors.

28. The Registrant purports to hold the domain name registration on behalf of an un-named individual "from a family which held Dofasco shares". Dofasco was owned by Arcelor prior to the merger. Ownership of Dofasco was put in issue in an attempt to create a poison pill to thwart the merger. The disposition of Dofasco had not been resolved by the date the merger was announced. The Panel infers from this, and from the detailed history of the merger provided by the Registrant (with its emphasis on reasons why it appeared the takeover would not succeed) on behalf of the unnamed individual, that the un-named person was following, and was familiar with, the unfolding takeover. Given this and the timing of the registration on the day following the announcement of the merger and of the name of the merged company, the Panel concludes that the registration acknowledges the Confusing Similarity of the domain name and Mark, and that the Confusing Similarity was the principal motive for registration of the domain name arcelormittal.ca.

29. The Complainant continues to be known as ArcelorMittal S.A. It registered ARCELORMITTAL as a trademark in Canada in 2010. Accordingly, it presently has Rights in Canada in ArcelorMittal.

30. The Panel finds that the Complainant had Rights in the name ArcelorMittal prior to the date of registration of the domain name arcelormittal.ca, that it continues to have such Rights, and that the two are Confusingly Similar.

31. The second of three tests a Complaint must satisfy is set out in section 3.1(b) of the Policy:

"3.1 Applicable Disputes.

A Registrant must submit to a Proceeding if a Complainant asserts in a Complaint submitted in compliance with the Policy and the Resolution Rules that:

(b) the Registrant has no legitimate interest in the domain name as described in paragraph 3.4; and

"3.4 Legitimate Interests.

For the purposes of paragraphs 3.1 (b) and 4.1 (c), any of the following circumstances, in particular but without limitation, if found by the Panel to be proved based on its evaluation of all evidence presented, shall demonstrate that the Registrant has a legitimate interest in a domain name:

(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 registered 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 registered 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.

32. Paragraph 3.4 is not an exhaustive list of the possible legitimate interests. It does require that it is the Registrant that has a legitimate interest. The Registrant does not have a legitimate interest because it says it is holding the domain name as the nominal owner for someone else, effectively disclaiming any interest. There is no allegation or evidence in the Response as to what the legitimate interest of the alleged beneficial owner might be.

33. In any case the Panel cannot consider whether a purported beneficial owner who is not a Registrant might have a legitimate interest. The CIRA Registrant

Agreement v. 2.0 contains a number of provisions which operate to prohibit the practice of holding domain names in trust for others. To name three:

- (i) Paragraph 1.2 defines the Registrant as the named registrant.
- (ii) Paragraph 3.1 requires that applications to register domain names be made by Registrars only on behalf of the Registrant, which means the named Registrant.
- (iii) Paragraph 3.2 prohibits Registrants from transferring or purporting to transfer a proprietary right, security interest or encumbrance on a domain name, which would include a beneficial interest.

34. The third of three tests a complaint must satisfy is set out in section 3.1(c) of the Policy:

"3.1 Applicable Disputes.

A Registrant must submit to a Proceeding if a Complainant asserts in a Complaint submitted in compliance with the Policy and the Resolution Rules that:

- (c) the Registrant has registered the domain name in bad faith as described in paragraph 3.5.

35. Paragraph 3.5 is a non-exhaustive list of instances which are evidence of registration of a domain name in bad faith.

"3.5 Registration in Bad Faith."

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.

36. As noted above, the Registrant is in violation of the Registration Agreement. The Registrant is required to be the named owner. It is required to keep the Registration Information "true, complete and accurate" at all times (Policy 1.3, para. 4.1(a)). It has not done so at any time, so as to conceal the existence of a beneficial owner. This is part of a privacy service that it offers. The Panel considers holding a registration in calculated violation of the Registrant Agreement with CIRA to be bad faith on the part of both the Registrant and the beneficial owner.

37. The Registrant has provided no evidence in the Response or the Registration that the beneficial owner meets the CIRA Canadian Presence Requirements that all Registrants are required to meet, and has adopted a scheme well suited to evade them.

38. The Registrant chose not to address the Complainant's legitimate request for transfer of the domain name to the Complainant in any serious manner. There is no evidence that it even invited the beneficial owner of the domain name to respond to the request. The limited response to the Complainant was very technical and ignored the circumstances surrounding the domain name's beneficial owner's interests in that it advanced no facts or arguments to rebut the allegation of no legitimate interest in the domain name or registration in bad faith.

39. The Panel is entitled to draw unfavourable inferences from all of the conduct of the beneficial owner who instructs the Registrant. That conduct is attributable to the Registrant as its trustee and agent for all domain name matters. The Registrant has presented no evidence of having a legitimate interest and use of the domain name or otherwise responded to the Complainant's contention that "the Registrant has registered the domain name only in purpose to disturb the Complainant's activities".

40. The Registrant seeks the denial of an Order in favour of the Complainant in this arbitration based on the doctrine of laches – the Complainant having waited years before initiating the Complaint. Assuming that the doctrine even applies to a statutory remedy, the defense fails. Laches is a doctrine of equity, and the seeker thereof must do equity. As noted in paragraph 36 above, the registration was obtained in bad faith in part from the Registrant and the beneficial owner's ongoing concealment of the name of the beneficial owner in violation of the Registration Agreement - which bad faith would be compounded if the beneficial owner is fictional. Bad faith is inequitable conduct.

41. For the foregoing reasons the Panel decides:

1. The Domain Name *arcelormittal.ca* is Confusingly Similar to the trademark ArcelorMittal in which the Complainant has Rights.
2. The Registrant and the beneficial owner of the Domain Name have no legitimate interest in respect of the Domain Name *arcelormittal.ca*.
3. The Domain Name *arcelormittal.ca* was registered by the Registrant in bad faith.

42. Accordingly, pursuant to paragraph 4.3 of the CIRA Policy,

The Panel orders that:

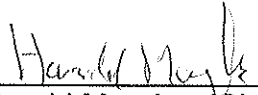
The registration of the Domain Name

arcelormittal.ca

be transferred to the Complainant by the Registrar

DOT-CA-REGISTRY.CA (Burmec Business Systems Ltd.)

Harold Margles, David G. Allsebrook, Melvyn J. Simburg


Harold Margles (Chair)

Dated: January 29, 2013