

**IN THE MATTER OF A COMPLAINT PURSUANT  
TO THE CANADIAN INTERNET REGISTRATION AUTHORITY (“CIRA”)  
DOMAIN NAME DISPUTE RESOLUTION POLICY (“the POLICY”)**

<b>Dispute Number:</b>	<b>DCA-1443-CIRA</b>
<b>Complainant:</b>	<b>Chico’s Brands Investments, Inc.</b>
<b>Registrant:</b>	<b>International Clothiers Inc.</b>
<b>Disputed Domain Names:</b>	<b>whitehouseblackmarket.ca</b>
<b>Registrar:</b>	<b>CanHost Inc.</b>
<b>Arbitrator:</b>	<b>Mr. Claude Freeman</b>
<b>Service Provider</b>	<b>British Columbia International Commercial Arbitration Centre (the “BCICAC”)</b>

**BCICAC FILE NUMBER: DCA-1443-CIRA**

On December 6<sup>th</sup>, 2012, the Complainant filed a complaint (dated December 6<sup>th</sup>, 2012) against the Registrant, with the BCICAC, seeking that the Registrant’s registration of <**whitehouseblackmarket.ca**> be transferred to the Complainant.

The complaint filed by the Complainant was reviewed by the BCICAC and on December 7<sup>th</sup>, 2012 was found to be in administrative compliance with the Policy and Rules. In accordance with the provisions of Rule 4.3, and by letter and email dated December 7, 2012, the BCICAC, as dispute resolution service provider, so advised the parties and forwarded a copy of the complaint to the Registrant for their response. The Registrant has not provided any response whatsoever to the BCICAC.

Accordingly, in the absence of a response by the Registrant, the Registrant is not in administrative compliance in the following areas:

- 1) failure to nominate candidates from the providers cost – per paragraph 5.2(c) of CDRP rules;
- 2) failure to provide a summary of and references to the relevant Canadian Law – per paragraph 5.2(f) of CDRP rules;
- 3) failure to provide a summary of and references to prior CIRA decisions that would be persuasive, and which apply to domain names registered under any other top-level domain – per paragraph 5.2(g) of CDRP rules; and
- 4) failure to conclude with the certification of the Registrant in form set out in Appendix “B”, followed by the signature of the Registrant or its authorized representative – per paragraph 5.2 (j) of CDRP rules.

As provided for by paragraph 5.6 of CDRP rules, the Registrant is permitted 10 days notice in order to remedy all instances of non-compliance.

As permitted under Rule 6.5, the Complainant elected to convert from a panel of three arbitrators to a single arbitrator, to render a decision in this matter. On January 14<sup>th</sup>, 2013, the BCICAC

provided the appointment of the herein, sole arbitrator, which was accepted by this arbitrator on January 16<sup>th</sup>, 2013.

### **Background/Facts**

The Complainant was founded in 1983, and is a publicly traded company, specializing in the retailing of private branded clothing, footwear, headwear, and accessories. The Complainant submits being the owner of the Domain name in dispute (the “domain name”). Further, the Complainant submits that on April 12, 2011, the Registrant registered the domain name, and that the Registrant also is a direct competitor of the Complainant, and that the purpose of registering the domain name was for the purpose of disrupting the business of the Complainant, by way of attracting Internet users to the Registrant’s website – thereby creating a likelihood of confusion with the Complainant as to source of sponsorship.

The Complainant notes that at the time of the complaint, that the domain name is inactive, and has submitted an internet search page indicating this, however, it is important to note that despite the currently inactive internet status of the domain name, the treatment of this review is conducted in the same manner, as if the domain name were active, since this domain name could theoretically be made active at any time, without any prior knowledge.

Accordingly, and based on their submissions, the Complainant submits that the registration and use of the domain name falls squarely within the scope of the Policy, and that paragraph 3.1 of the Policy, provides the Jurisdiction requiring the Registrant to submit to a proceeding, covering the tests that the domain name is: a) confusingly similar, b) that the Complainant has a legitimate interest, and c) that the domain name was registered in bad faith.

As noted earlier, the Complainant has been in business since 1983, is a New York Stock Exchange listed company, recording some substantial sales results: \$2.2 billion sales in 2011, and an approximate sales total of \$5.8 billion between 2009 and 2012. This has been accomplished through its 1256 stores, and approximately 19800 sales associates (as at year-end 2011). The year-end financial report for 2011 indicates total assets of some \$1.425 billion. All of the operating and financial results can be corroborated by way the requisite 10-k reports filed as required under the securities requirements.

The submission by the Complainant that the Registrant is a direct competitor, is supported by the fact that the Registrant’s website [www.internationalclothiers.ca](http://www.internationalclothiers.ca), boasts that they are “Canada’s premiere destination for men’s, young men’s, boys fashions with over 130 or so stores across Canada, located mainly in local, high-traffic malls. Meanwhile, the Complainant has submitted a copy of its website ([www.whitehouseblackmarket.com](http://www.whitehouseblackmarket.com)) product offerings attesting to its product line offerings. Clearly, both the Complainant and Registrant are involved in the same or similar product line offerings and are direct competitors with each other. The Complainant has submitted a copy of their prior trade-mark registration “White House Black Market” confirming the filing of this in February, 2001, and later matured to registration on June 16, 2004 - which they submit was used to become well known in Canada, and attract considerable reputation and good-will. One can also draw a rational conclusion (or at the very least, a comfortable assumption), that a certain amount or percentage of the Complainant’s sales income has been devoted to advertising, promotional and other enhancements of their corporate image, and that these financial resources have been carefully measured so as to maximize their return on investment for their advertising and public relations activities (including, but not limited to their website image).

Sites/domain names blatantly infringing on or closely navigating near or to, previously and properly registered, highly visible and well-known domain names, trade-marks (which are clearly owned by those with a demonstrated, and prior, legitimate interest) do nothing to enhance the credibility (for the tests of legitimate interest/confusingly similar/bad faith) of those Registrants who feel they have some free right or licence to infringe.

The Complainant submits that the use of (“whitehouseblackmarket.ca”) is, can be, and will be confusing and distracting – with the results being that internet users, and existing/potential customers, will be confused, and this will have a damaging effect to the public image “White House Black Market”.

In short, the Complainant submits that the disputed domain name is:

- 1) Confusingly similar
- 2) Registrant has no right or legitimate interest in the domain name, and
- 3) The domain name was registered and used in bad faith.

### **Reasons**

As noted earlier, the Registrant was not only found administratively non-compliant, but has not put forth any submissions to be reviewed in any detail. Accordingly, as per paragraph 4.1 of the CDRP policy, the onus is on the Complainant to prove on a balance of probabilities that the disputed domain names as registered by the Registrant are confusingly similar to that of the Complainant, and that they have been registered in bad faith. In addition, the Complainant is required under this paragraph to provide “some evidence” that the Registrant has no legitimate interest in the disputed domain name(s).

#### **1. Confusingly Similar**

The first test is whether the Disputed Domain Names are confusingly similar to Complainant’s domain name.

The evidence before us shows that in Canada, the Complainant has been using the White House Black Market trade-mark both corporately, and by way of CIPO registration(s) since 2004.

In order to address the issue of confusion with the standard legal test prevailing in Canada, one can find that in determining whether or not there exists a reasonable likelihood of confusion between the trademarks at issue, the Registrant must have a regard to all the surrounding circumstances, including non-exhaustively, those specifically enumerated in Subsection 6 (5) of the Canadian Trademarks Act.

- a) inherent distinctiveness of the trademarks, and the extent to which they have become known;
- b) length of time the trademarks have been in use;
- c) nature of wares, services or business;
- d) nature of the trade; and

- e) degree of resemblance between the trademarks in appearance or sound in the ideas suggested by them.

A generally accepted principle when applying the test of confusion is looking at the trademarks from the point of the unwary consumer – comparing similarities as opposed to differences. Can the consumer be easily misled by error or otherwise – and perhaps not even know? Could this also impact not only on the consumer, but also on other potential commercial relationships being sought with the Complainant? If this would impact on the commercial relationship sought with the Complainant by the consumers, then by logical corollary, this would also impact (or sabotage?) the commercial relationships the Complainant is seeking with its' potential client base.

The Registrant's dot.ca domain is Confusingly Similar with a Mark in which the Complainant had Rights prior to the date of registration of the domain name and continues to have such Rights. Simply put, it was held in Government of Canada on behalf of Her Majesty the Queen in Right of Canada v. David Bedford, BCICAC Case No 00011, where a Complainant relies upon a trade-mark 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 it is valid based upon lack of distinctiveness or non-use.

As well, as per paragraph 1.2 of the Policy, and per BCICAC Case No. 00014 (Coca-Cola Ltd. v. Amos B. Hennan, the domain name is defined as follows: "domain name" means the domain name excluding the "dot-ca" suffix and suffixes associated with all third and fourth level domain names accepted by CIRA. Further, a Registrant cannot avoid confusion by appropriating another's entire mark in a domain name per RGIS Inventory Specialists v. AccuTrak Inventory, BCICAC Case No. 00053, and Glaxo Group Limited v. Defining Presence Marketing Group Inc. (Manitoba), BCICAC Case No. 00020.

To this arbitrator, the domain name "whitehouseblackmarket.ca" is confusingly similar in appearance, sound and in the ideas with the "White House Black Market" Trade-mark. There appears therefore, not only confusion with, but also misappropriation of the domain name.

This Arbitrator concludes on this issue that the Complainant has met the onus of demonstrating that the disputed domain name is "confusingly similar" – as also supported in part by the "tests" applied by Subsection 6 (5) of the Canadian Trademarks Act ("a" to "e" above).

## **2. Legitimate Interest**

A sufficient and initial proof brought on by the Complainant and pertaining to the Registrant's lack of legitimate interest forces the Registrant to rebut, explain or otherwise plead this issue, for which the Registrant has not done so. Failing to do so permits the Arbitrator to make a negative inference.

As described above, the Complainant must provide "some evidence" that the Registrant has no legitimate interest in the domain name(s), as described in Policy paragraph 4.1(c). If the Complainant satisfies this evidentiary burden, the onus shifts to the Registrant to prove on a

balance of probabilities that the Registrant has a legitimate interest in the challenged domain name, for which again the Registrant has not done so.

Policy paragraph 3.4 sets forth an exhaustive list of criteria for determining whether a registrant has a legitimate interest in a domain name. It provides as follows:

*The Registrant has a legitimate interest in a domain name if, and only if, before the receipt by the Registrant of notice from or on behalf of the Complainant that a complaint was submitted.*

- (a) the domain name was a Mark, the Registrant used the Mark in good faith and the Registrant has Rights in the Mark;*
- (b) the Registrant used 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 used 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 of 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.*

*In paragraphs 3.4 (b), (c), and (d) "use" by the Registrant includes, but is not limited to, use to identify a web site.*

The legitimate interest criteria set forth in Policy paragraphs 3.4 (a), (b), (c), and (d) are satisfied only if the Registrant's use was in "good faith", a term which is not defined by the Policy. This Arbitrator notes that "good faith" as used in Policy paragraph 3.4 is not necessarily the opposite of "Bad Faith" as defined in Policy paragraph 3.5.

This Arbitrator has reviewed submissions by the Complainant and absent any submissions to not only debate the Complainant's positions, but to provide any historical proof of commercial activities, and fully eliminate confusion between the Registrant and the Complainant, leaves for invalidated support for the Registrant. Furthermore, the history covered by the Complainant's submissions themselves (registration, sales volumes et al), speaks volumes about the Complainant's right to a legitimate interest.

The Complainant filed for the trade-mark "White House Black Market" in Canada in February 2001, and this matured into a full Registration in June, 2004 however, the domain name in

dispute was not registered by the Registrant until April 12, 2011, and this, without any prior or existing written contract, or other form of trade-mark use or licence.

There has never been any commercial or relationship of any sort between the parties, permitting the use etc. of any of the Complainant's trade-marks or domain name by the Registrant, which could give rise to any confusion.

The Registrant has not provided any justification to justify its claim to a legitimate interest in the disputed domain name.

### **3. Registration in Bad Faith**

The following facts lead this Arbitrator to conclude that the disputed domain names were registered in bad faith:

- 1) The Registrant has, (after considerable historical and past name and product branding by the Complainant) registered a confusingly similar name.
- 2) The registration of the disputed domain name seems to not be in step – or compatible with the historical corporate image and Trade-mark of the Complainant.
- 3) The disputed name could have a confusingly and negative public image impact/confusion about affiliation or sponsorship with the complainant, not to mention the diversion of commercial activity away from the Complainant. Refer to Bell Canada v. Archer Enterprises, BCICAC Case No. 00038, and Yamaha Corporation and Yamaha Motor Canada Inc. v. Jim Yoon, BCICAC Case No. 00089.
- 4) No attempt whatsoever has been made by the Registrant to provide any answers, rebuttals, support or evidence for the registration of the disputed domain names.
- 5) Where the Registrant would seemingly have some justification for the registrations, the Registrant has put forward no evidence to support his conduct. See Musician's Friend Inc. v. Lowcost Domains Inc., CIRA Dispute No. 00074, citing in turn Canadian Broadcasting Corporation/Société Radio-Canada.

All of the foregoing is irreconcilable, and sustains the conclusion that there appears to be no compelling need (or right) for the Registrant to register and keep the disputed domain name. Had there been a sound business reason to do so, it would be logical for the Registrant to counter-argue all of this. This does not suggest that any counter-argument would be successful. Websites are to be seemingly purchased and designed for some legitimate purpose, and certainly no sound reasons have been advanced by the Registrant to support their actions. At the very least, any use made valid by any arguments that might be raised by the Registrant would have been less confusing at the outset, if they were to register a name which would be more original so as to not create any confusion, and infringe on the Complainant's Trade-mark. It has also been established that it is not necessary for the disputed domain name to be associated with an active website, refer to CBS Broadcasting, Inc. v. LA-Twilight-Zone, WIPO Case No. D2000-0397, and Hewlett-Packard Company v. Marcel Wieland, NAF Case No. FA95852.

### **Balance of Probabilities**

Even if a complainant has met the burdens of proof contained in Paragraph 4.1, a complaint will be dismissed if the registrant is able to prove on a balance of probabilities that the registrant has a legitimate interest in the disputed domain name. Again, such "legitimate interest" must meet one or more of the six tests set out in Paragraph 3.4 and referred to above.

This balance of probabilities test in Paragraph 4.1 of the Policy deals with the situation where even though a complainant has satisfied all of the burdens of proof contained in Paragraph 4.1, an Arbitrator believes that justice requires the Registrant to succeed. In finding against a Registrant, the Arbitrator is depriving that Registrant of a property interest. Such a decision should not be taken lightly. Therefore, even if an Arbitrator finds that a complainant has satisfied the rather heavy burdens of proof placed on it by Paragraph 4.1, if the Arbitrator is satisfied that on a balance of probabilities the registrant has a legitimate interest in the disputed domain name, the Arbitrator must find for the registrant and dismiss the complaint. The Registrant has manifestly provided no argument, solid, or otherwise, to either refute the allegations made by the Complainant or at the very least, support the registration (and any rights) in the disputed domain name.

In the case at hand, this Arbitrator is satisfied that on a balance of probabilities, based upon the evidence before him, that the Registrant has no legitimate interest in the Disputed Domain names.

### **Decision and Order**

I find that the Complainant has succeeded in this proceeding, initiated under the Policy.

I therefore direct that the registration of ("Whitehouseblackmarket.ca") be transferred to the Complainant: Chico's Brands Investments, Inc.

Dated this 25<sup>th</sup> day of January, 2013



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Claude Freeman, LL.M. (ADR), C. Med., C. Arb.