

**IN THE MATTER OF A COMPLAINT MADE PURSUANT TO THE CANADIAN
INTERNET REGISTRATION AUTHORITY DOMAIN NAME DISPUTE
REGISTRATION RESOLUTION POLICY (v 1.3) AND RULES (v 1.4)**

Complainant: Visionary Motorsports Ltd.
#100, 17612 – 103 Avenue
Edmonton, AB T5S 1J9
(the “Complainant”)

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Registrant: MC Motorsports Canada Ltd.
160 Meadowvale Court,
Bolton, ON L7E 3H3
(the “Registrant”)

Registrant Contact Person: Michael Wells
Telephone: (647) 968-8760
Fax: (1-888) 744-1402
Email: mike@clevelandcyclewerks.ca

Registrant Counsel: Zak Muscovitch
The Muscovitch Law Firm
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Disputed Domain Name clevelandcyclewerks.ca
(the “Domain Name”)

Registrar: The Registrar of record is Go Daddy Domains Canada, Inc.
Registrar Number 2316043

Panel: R. John Rogers (Chair), Elizabeth Cuddihy, Q.C., ICA, and
Thomas Manson, Q.C., C.Arb.
(the “Panel”)

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

BCICAC File: DCA-1479 - CIRA

PROCEDURAL HISTORY

The BCICAC is a recognized service provider pursuant to the Domain Name Dispute Resolution Policy (v 1.3) (the “Policy”) and Rules (v 1.4) (the “Rules”) of the Canadian Internet Registration Authority.

The Complainant filed an undated complaint (the “Complaint”) with the BCICAC seeking an order in accordance with the Policy and the Rules directing that registration of the Domain Name be transferred from the Registrant to the Complainant.

The BCICAC determined the Complaint to be in administrative compliance with the requirements of Rule 4.2 and, by transmittal email dated March 14, 2013 (the “Transmittal Email”), forwarded a copy of the Complaint to the Registrant to serve as notice of the Complaint in accordance with Rules 2.1 and 4.3. The Transmittal Email determined the date of the commencement of proceedings in accordance with Rule 4.4 and advised the Registrant that in accordance with the provisions of Rule 5 a response to the Complaint (“Response”) was to be filed within 20 days of the date of commencement of proceedings. The Registrant requested an extension of time for delivery of its response and the BCICAC granted this extension as permitted under Rule 5.4.

The Registrant delivered the Response to BCICAC on April 10, 2013 in compliance with the Policy and the Rules. As the Response included a claim for costs against the Complainant, pursuant to paragraph 4.6 of the Policy, the Complainant was permitted to respond to the claim for costs within 5 business days after receipt of the Response.

By a submission dated April 17, 2013, the Complainant responded to the Respondent’s claim for costs.

In an email dated April 18, 2013, the Registrant requested that the Panel use its discretion under the Policy and the Rules to grant the Registrant the opportunity to respond to the Claimant’s submission of April 17, 2013.

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By way of email dated April 24, 2013, the Panel determined that the Registrant would have until April 30, 2013 to provide an additional submission and that the Complainant would have the opportunity exercisable by May 3, 2013 to reply to this additional submission provided that the Complainant's reply was strictly limited to responding to matters raised by the Registrant in its additional submission.

In view of the time extensions granted to the parties, the Panel extended the date prior to which it would deliver its decision from May 3, 2013 to May 27, 2013.

PANEL APPOINTMENT

The Panel was appointed by the BCICAC as the three member hearing panel in this matter by letter dated April 15, 2013. The Panel, having duly filed their Acceptance of Appointment and Statement of Independence and Impartiality with the BCICAC hereby determines that it has been properly appointed and constituted as the three member hearing panel to decide the Complaint in accordance with the Rules.

CANADIAN PRESENCE REQUIREMENTS

The Canadian Presence Requirements for Registrants v 1.3 ("Presence Requirements") require that to be permitted to apply for registration of, and to hold and maintain the registration of, a .ca domain name, the applicant must meet at least one of the criteria listed in Section 2 of the Presence Requirements as establishing a Canadian presence. Section 2(c) of the Presence Requirements specifies that a corporation incorporated under the laws of any province of Canada is permitted to apply for and to hold and maintain the registration of a .ca domain name.

The Complainant is a corporation incorporated pursuant to Alberta's Business Corporations Act. The Complainant, therefore, is entitled to have the Domain Name registered in its name and therefore meets the Presence Requirements.

ALL TECHNICAL REQUIREMENTS MET

Based upon the information provided by BCICAC, the Panel finds that all technical requirements for this proceeding have been met.

FACTS

As the Complainant and the Registrant appear to have different perspectives on the facts in this matter, each party's position is presented separately.

COMPLAINANT'S INTERPRETATION OF THE FACTS

1. The Complainant's colour of right to the Domain Name is based upon a trade-mark. This trade-mark is CLEVELAND CYCLEWERKS (the "Trade-Mark").
2. The Trade-Mark is the subject of Canadian Trade-mark Application No. 1,572,602 and U.S. Trade-mark Serial No. 85506918.
3. The goods in association with which the Trade-Mark is used in Canada by the Complainant in a capacity which the Complainant describes to be the "Exclusive Licensee" of the Trade-Mark are motorcycles, motorcycle parts and motorcycle accessories.

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4. Similar goods are associated with the Trade-Mark in the US by Cleveland Cyclewerks LLC, a corporation incorporated pursuant to the laws of the State of Ohio, and the party which the Complainant describes as the Licensor of the Trade-Mark to the Complainant (the “Licensor”).
5. In early 2011, the Licensor began discussions with potential Canadian distributors of motorcycles, motorcycle parts and motorcycle accessories to distribute similar products of the Licensor in Canada under the Trade-Mark.
6. The Registrant and the Licensor were engaged in business discussions for the Registrant’s former business entity, True North Imports, to become the Licensor’s exclusive Canadian distributor and to that end signed a “Non-circumvention, Non-disclosure and Confidentiality Agreement” on March 3, 2010.
7. However, the Complainant was eventually chosen by the Licensor as its exclusive Canadian distributor in April 2011 and this culminated in a letter agreement dated March 7, 2012 and a License Agreement dated April 1, 2012 (the “License Agreement”).
8. The Licensor suggested that the Registrant “work with the Complainant as to arrange a business relationship for access to” certain of the Licensor’s products for resale in Canada.
9. The Registrant despite not being chosen as the Licensor’s exclusive Canadian distributor registered the Domain Name on August 27, 2011 without the knowledge or permission of the Licensor.
10. The Complainant became aware of this registration in April of 2012 and advised the Licensor.
11. The Domain Name was and continues to be a proprietary trademark of the Licensor and the Complainant as Exclusive Licensee and the Registrant has never had, nor shall have, rights in or to the Trade-Mark and has used the Trade-Mark in bad faith.
12. Due to the “complicated factual history of the business matters” underlying this dispute, the Complainant has an honestly held belief that it, and not the Registrant, may claim the entitlement to the registration of a domain name in Canada that incorporates the Trade-Mark.
13. Since early 2012, the Complainant has attempted to negotiate with the Registrant with respect to the transfer of the Domain Name from the Registrant to the Complainant. Upon the break-down of these discussions, counsel acting on behalf of the Complainant and the Licensor, jointly, was instructed to issue to the Registrant a cease and desist demand letter dated May 22, 2012 claiming infringement of the Trade-Mark and requesting the immediate transfer of the Domain Name to the Complainant.
14. The Registrant has not responded to this letter of May 22, 2012, nor has the Registrant responded to numerous subsequent attempts on the part of the Complainant to engage in informal dialogue to “resolve the issues at hand”.
15. The Registrant is currently engaged in business activities that are in direct competition with the business activities of the Complainant.
16. The use of the Domain Name by the Registrant is most likely to have a confusingly and negative public image impact on the Trade-Mark and cause confusion regarding the affiliation or sponsorship with the Complainant as the

Exclusive Licensee of the Trade-Mark in Canada and as such, the Domain Name is likely to cause the diversion of commercial activity away from the Complainant.

17. The following message is currently displayed at the webpage to which the Domain Name resolves:

We would like to inform you that we are no longer associated with Cleveland Cyclewerks LLC and will not be distributing its products in Canada. We have rebranded our distribution company as MC Motorsports Canada Ltd. and will be distributing a variety of motorcycle products, some of which are comparable to CCW's brand in style, quality and price. We encourage you to visit our website at www.motorsportscanada.ca to check out our products.

REGISTRANT'S INTERPRETATION OF THE FACTS

1. On March 10, 2011 the Licensor's representative, Scott Colosimo, sent an email to the Registrant's principal, Michael Wells, with the phrase "Canadian Distribution Opportunity" in the subject line, discussing the appointment of Mr. Wells as the exclusive distributor of the Licensor's motorcycles in Canada. In this email, Mr. Colosimo states among other matters:

Michael, if you are to setup distribution for us in Canada, I would like the new company to be "Cleveland Cyclewerks Canada" or something similar. We could do the domain ClevelandCycleWerks.ca.

2. Mr. Colosimo subsequently put Mr. Wells in touch with the Licensor's North American distributor, P.I.T. Motor Ltd., or Parallel Intelligent Transportation, Inc. ("PIT").
3. In a letter dated September 1, 2011, PIT claims to be the "exclusive North American distributor for the Cleveland CycleWerks branded small displacement motorcycles" and purports to appoint "Cleveland CycleWerks Canada as the distribution arm in the country of Canada for the Cleveland CycleWerks line" upon receipt of initial purchase orders. These initial purchase orders were subsequently provided.
4. In a letter dated November 3, 2011 on the letterhead of the Licensor and addressed to Mr. Wells, the representative of the Licensor, Mr. Colosimo, states that Cleveland Cyclewerks Canada is "an authorized Canadian distributor of Cleveland CycleWerks branded motorcycles, parts, accessories and apparel".
5. The Registrant was incorporated on December 15, 2011 as *Cleveland Cyclewerks Canada Inc.* and changed its name to the present one on July 6, 2012.
6. In an email dated January 6, 2012 from Mr. Colosimo addressed to Diana@on-nic.net with a subject matter of "Regarding Cleveland CycleWerks Domain Registrations:", Mr. Colosimo states, among other items:

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Diana, this is Scott Colosimo, I am the legal owner of Cleveland CycleWerks LLC, we are a global brand. As a global company we sell products in over 20 countries.

Mike Wells is my authorized distributor for Canada, and he is the legal owner of ClevelandCycleWerks.ca.

7. Thus, with the full authorization of the Licensor, Mr. Wells registered the Domain Name on August 27, 2011 and on December 15, 2011 incorporated the Registrant as *Cleveland CycleWerks Canada Inc.*
8. The Canadian trademark application referred to above was filed on April 2, 2012 and was filed on the basis of registration of a mark abroad. This “registration of a mark abroad” was purported to be the US trademark application filed by the Licensor with the United States Patent and Trademark Office (“USPTO”).
9. This US trademark application for CLEVELAND CYCLEWERKS has been refused by the USPTO by way of an Office Action dated April 4, 2012 which stated, among other items, that “registration is refused because the applied-for mark is primarily geographically descriptive of the origin of applicant’s good and/or services”. A similar objection was included with a similar refusal contained in a subsequent Office Action dated October 27, 2012.
10. There is, therefore, no registered US or Canadian trademark of CLEVELAND CYCLEWERKS.
11. After Mr. Wells had been given the exclusive Canadian distributorship for the distribution of the Licensor’s products in Canada, by way of an email dated February 18, 2012, the Licensor introduced Mr. Wells to the Complainant and discussions ensued as to the possibility of the Complainant becoming a sub-distributor to the Registrant of the Licensor’s products in Canada.
12. By way of an email dated March 27, 2012 to Mr. Wells, Mr. Colosimo stated, among other items:

Mike, we would like to proceed with getting an agreement in place with both you and Visionary. Have you made any progress with them, what is the status of your guys relationship?

13. The Registrant and the Complainant were not able to come to agreement as to their respective relationships with the Licensor and there were discussions of compensating the Registrant in the amount of \$10,000 for *inter alia* the time and money it had put into the development of the Domain Name and the website to which the Domain Name resolves.
14. It is the position of the Registrant that the Licensor unlawfully rescinded the Registrant’s exclusive Canadian distribution rights and entered into the License Agreement dated April 1, 2012, a date 7 months after the registration of the Domain Name.
15. The License Agreement specifically provides that the Complainant does not have any rights in the Trade-Mark; rather the License Agreement contains specific provisions in Sections 8 and 10 thereof that the Complainant shall not acquire any

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rights to the Licensor's proprietary marks and licensed intellectual property and that the Complainant acknowledges that the Licensor is the sole owner of the "Cleveland Cyclewerks" and "CCW" brand.

REMEDY SOUGHT

The Complainant seeks an order from the Panel instructing the Registrar of the Domain Name to transfer ownership of the Domain Name to the Complainant.

THE POLICY

The purpose of the Policy as stated in paragraph 1.1 of the Policy is to provide a forum in which cases of bad faith registration of .ca domain names can be dealt with relatively inexpensively and quickly.

Paragraph 4.1 of the Policy puts the onus on the Complainant to demonstrate this "bad faith registration" by proving on a balance of probabilities that:

1. the Trade-Mark qualifies as a "Mark" as defined in paragraph 3.2 of the Policy;
2. the Complainant had "Rights" in the Trade-Mark prior to the date of registration of the Domain Name and continues to have "Rights" in the Trade-Mark,
3. the Domain Name is "Confusingly Similar" to the Trade-Mark as the concept of "Confusingly Similar" is defined in paragraph 3.3 of the Policy;
4. the Registrant has registered the Domain Name in "bad faith" in accordance with the definition of "bad faith" contained in paragraph 3.5 of the Policy; and
5. the Registrant has no "legitimate interest" in the Domain Name as the concept of "legitimate interest" is defined in paragraph 3.4 of the Policy.

If the Complainant is unable to satisfy this onus, bad faith registration is not demonstrated and the Complaint fails.

MARK

The relevant portion of paragraph 3.2 of the Policy states that for the purpose of the Policy a "Mark" is:

- (a) a trade-mark, including the word elements of a design mark, or a trade name that has been used in Canada by a person, or the person's predecessor in title, for the purpose of distinguishing the wares, services or business of that person or predecessor or a licensor of that person or predecessor from the wares, services or business of another person;

If the Trade-Mark qualifies as a "Mark" pursuant to paragraph 3.2 of the Policy, it would appear that if it had "rights" in the Trade-Mark, the Complainant commenced its use of the Trade-Mark in Canada following the execution of the License Agreement on April 1, 2012.

RIGHTS

As noted above, to succeed in this matter, the Complainant must demonstrate that it had “Rights” to the Trade-Mark” prior to the date of registration of the Domain Name. The Domain Name was registered on August 27, 2011. It would appear that the Complainant did not commence discussions with the Licensor until the February/March period of 2012. Moreover, the License Agreement subsequently entered into between the Complainant and the Licensor would appear to provide that the Complainant had no “Rights” in the Trade-Mark.

CONFUSINGLY SIMILAR

Policy paragraph 3.3 provides that the Domain Name will be “Confusingly Similar” to the Trade-Mark if the Domain Name so nearly resembles the Trade-Mark in appearance, sound or the ideas suggested by the Trade-Mark as to be likely to be mistaken for the Trade-Mark

In the matter at hand, the Domain Name consists of the Trade-Mark, followed by the .ca suffix. As paragraph 1.2 of the Policy defines the Domain Name for the purpose of this proceeding to exclude the .ca suffix, the portion of the Domain Name consisting of “CLEVELAND CYCLEWERKS” is relevant.

The Domain Name, excluding the .ca suffix and the spacing between the two words, uses the same letters in the same order as the Trade-Mark. The Panel therefore finds that the Complainant has satisfied the onus of demonstrating that the Domain Name is “Confusingly Similar” to the Trade-Mark in accordance with paragraph 3.3 of the Policy.

BAD FAITH

Under paragraph 3.5 of the Policy, the Registrant will be considered to have registered the Domain Name in bad faith if, and only if, the Complainant can demonstrate that the Registrant in effecting the registration of the Domain Name was motivated by, *inter alia*, any of the four general intentions set out in paragraph 3.5.

Paragraph 3.5 provides as follows:

(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;

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(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.

It is the submission of the Complainant that the Registrant registered the Domain Name in bad faith as demonstrated by the fact that:

1. the Registrant registered the Domain Name primarily for the purpose of disrupting the business of the Complainant who was and continues to be a competitor of the Registrant; and/or
2. the Registrant has intentionally attempted to attract, for commercial gain, internet users to the Registrant's website by creating a likelihood of confusion with the Trade-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;
3. the Registrant continues to divert internet users from discovering the source and location of Cleveland Cyclewerks motorcycles, motorcycle parts and motorcycle accessories in Canada.

There is before the Panel no direct evidence of the Registrant's intention in registering the Domain Name. Such intention must therefore be based upon a common sense inference from the evidence before the Panel with respect to the communication between the Registrant and the Licensor prior to the registration of the Domain Name, the website to which the Registrant has caused the Domain Name to resolve, from the Registrant's use of this website, and from the Registrant's subsequent communication with the Licensor and the Complainant following the registration of the Domain Name.

The facts before the Panel establish that:

1. The Licensor's representative appears to have authorized the Registrant's representative to incorporate the Trade-Mark in the Domain Name prior to the registration of the Domain Name;
2. Following the registration of the Domain Name, the Licensor's representative appears to have confirmed the Registrant's right to the Domain Name;
3. According to the evidence submitted by the Complainant, the website to which the Domain Name resolves specifically states that the Registrant is "no longer associated with Cleveland Cyclewerks LLC and will not be distributing its products in Canada". The Panel is hard pressed to understand how, as alleged by

the Complainant, the Registrant on this website is intentionally attempting to disrupt the Complainant's business.

The Panel therefore finds that the Complainant has not demonstrated that the Registrant registered the Domain Name in bad faith in accordance with the provisions of Paragraph 3.5 of the Policy.

NO LEGITIMATE INTEREST

Paragraph 4.1 of the Policy requires that to succeed in the Complaint, the Complainant must provide some evidence that the Registrant has no legitimate interest in the Domain Name as the concept of "legitimate interest" is provided for in paragraph 3.4.

Paragraph 3.4 of the Policy provides that:

The Registrant has a legitimate interest in a domain name if:

- (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 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 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.

In paragraphs 3.4 (d) "use" by the Registrants includes, but is not limited to, use to identify a web site.

There is evidence before the Panel that pursuant to paragraph 3.4(a) of the Policy the Registrant had Rights in the Trade-Mark and that the Registrant used the Domain Name

in good faith prior to the break-down of its relationship with the Licensor and the appointment of the Complainant as the Licensor's exclusive Canadian distributor.

On the face of it, the Domain Name appears to be descriptive of the place of origin of the wares, services or business of the Registrant as provided for in paragraph 3.4(b) of the Policy as the Registrant was at the date of registration of the Domain Name intending to distribute the Licensor's products in Canada.

Similarly, it appears that the Domain Name when it was registered was a name by which the Registrant at that time was identified by as its corporate name at that time was *Cleveland Cyclewerks Canada Inc.*

The Panel finds that there is ample evidence before it that the Registrant had at the time of registration of the Domain Name a legitimate interest in the Domain Name.

DECISION

The Panel finds that the Complainant has not satisfied the onus placed upon it by paragraph 4.1 of the Policy and is therefore not entitled to the remedy sought by it under the Complaint, namely an order that ownership in the Domain Name be transferred from the Registrant to the Complainant.

REGISTRANT'S CLAIM FOR COSTS

In the Response, the Registrant has included an application to the Panel requesting that the Panel exercise the authority granted to it pursuant to paragraph 4.6 of the Policy and order that the Complainant pay to the BCICAC in trust for the Registrant the sum of \$5,000 for the purpose of deferring the Registrant's costs.

Paragraph 4.6 of the Policy states as follows:

4.6 Bad Faith of Complainant. If the Registrant is successful, and the Registrant proves, on a balance of probabilities, that the Complaint was commenced by the Complainant for the purpose of attempting, unfairly and without colour of right, to cancel or obtain a transfer of any Registration which is the subject of the Proceeding, then the Panel may order the Complainant to pay to the Provider in trust for the Registrant an amount of up to five thousand dollars (\$5000) to defray the costs incurred by the Registrant in preparing for, and filing material in the Proceeding. The Complainant will be ineligible to file another Complaint in respect of any Registration with any Provider until the amount owing is paid in full to the Provider.

The Registrant bases its claim for costs on what it claims include the following examples of the Complainant's bad faith:

1. The fact that when submitting the Complaint, the Complainant failed to include the certification required by Rule 3.2(o) of the Rules which requires that the Complaint conclude with the certification of the Complainant in the following

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form followed by the signature of the Complainant or its authorized representative:

CERTIFICATION OF COMPLAINANT IN THE MATTER OF A COMPLAINT IN RESPECT OF DOMAIN NAME REGISTRATION(S):

1. By initiating this Proceeding, the Complainant named below (the “Complainant”) agrees that it will be bound by the CIRA Domain Name Dispute Resolution Policy (the “Policy”) and the CIRA Domain Name Dispute Resolution Rules (the “Resolution Rules”) in respect of the Proceeding.
2. The Complaint certifies that it is eligible to initiate the Proceeding under the Policy and that it does not owe to any Provider in trust any amount pursuant to a finding in a prior Proceeding that the Complainant commenced such Proceeding for the purpose of attempting, unfairly and without colour of right, to cancel or obtain a transfer of the Registration which was the subject of that Proceeding.
3. The Complainant certifies that the information contained in this Complaint is to the best of the Complainant’s knowledge complete and accurate, that this Complaint is not being commenced for the purpose of attempting, unfairly and without colour of right, to cancel or obtain a transfer of the Registration which is the subject of the Proceeding, and that the assertions in this Complaint are warranted under the Policy and the Resolution Rules and under applicable Canadian law, as it now exists or as it may be extended by a good faith and reasonable argument.
4. The Complainant agrees that any claim or remedy which it may have concerning the domain name(s), the Registration(s), the dispute, the Proceeding or the dispute’s resolution shall be solely against the Registrant and agrees that in no event shall CIRA, the Registrant’s Registrar, the Provider or their respective directors, officers, members, agents, representatives or any Panellist be liable to the Complainant or any other person for any loss, damages or expense including, without limitation, any special, indirect, incidental, exemplary, punitive or consequential damages, or economic loss or damages resulting from loss of use, lost business revenue, lost profits or third party damages arising from or in any way connected with:
 - (A) the application of the Policy or the Resolution Rules by any of them;
 - (B) a decision rendered by a Panel in a Proceeding;
 - (C) CIRA’s compliance with any order, ruling, decision or judgment made by a Panel in a Proceeding or by any court, tribunal, board, administrative body, commission or arbitrator; or
 - (D) any action taken or not taken by CIRA, the Registrant’s Registrar, a Provider, or a Panel in consequence of the Resolution Rules or the Policy; provided that in no event is this limitation of liability intended to limit the liability of the Provider for the Provider’s gross negligence or willful misconduct or a member of the Panel for the member’s gross negligence or willful misconduct.
5. The Complainant will submit, with respect to any challenge to a decision in the

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Proceeding, to the jurisdiction of a superior court of a province or territory of Canada having jurisdiction over the Registrant pursuant to the rules of such court or, if no such court has jurisdiction pursuant to its rules, to the jurisdiction of the superior court of the province or territory in Canada in the city in which the Provider has its principal place of business in Canada, as posted on the Provider's website, or the jurisdiction of the superior court in the City of Ottawa in the Province of Ontario.

6. The Complainant acknowledges and agrees that, if, pursuant to the Policy the Panel orders the Complainant to pay an amount to defray the costs incurred by the Registrant in preparing for, and filing material in, the Proceeding:

- (a) the Complainant shall pay such amount to the Provider in trust for the Registrant within thirty (30) days of the date the Provider receives notice of the decision, failing which the Complainant shall be ineligible to file another Complaint in respect of any Registration after such thirty (30) day period until such monies are paid in full to the Provider; and
 - (b) such amount is a debt due from the Complainant to the Registrant payment of which may be enforced by the Registrant in a court of competent jurisdiction;
2. The Complainant based its Complaint on non-existent trademarks, and failed to disclose that the US trademark application upon which the Canadian trademark application was based has been refused by the USPTO;
 3. The Complainant's recital of the material facts upon which the Complaint was based was not "complete and accurate" as required by paragraph 3 of the certification referred to above;
 4. The Complaint misrepresented the relationship that existed between the Registrant and the Licensor prior to the Complainant establishing a relationship with the Licensor; and
 5. Rather than a case of cyper-squatting, the matter before the Panel is more properly categorized as a business dispute arising from the termination of a distribution agreement and clearly outside the scope of these proceedings.

CLAIMANT'S RESPONSE TO REGISTRANT'S CLAIM FOR COSTS

As referred to above, the Claimant was entitled to respond to the Registrant's claim for costs pursuant to paragraph 4.6 of the Policy.

In its response, the Claimant directed the Panel's attention to *Vancouver Community College v. Eminata Group* (CIRA 00148, April 26, 2010) and *District of West Kelowna v. Baremetal.com.Inc.* (CIRA 00137, previous panel decisions dealing with paragraph 4.6 of the Policy and instances where the panel found that the complainant had not acted in bad faith and therefor refused to grant an order for costs.

In its response, the Claimant submitted that the Trade-Mark is used in Canada by the Licensor and by the Complainant under the aegis of the License Agreement in association with the sale and distribution of motorcycles, motorcycle parts and motorcycle accessories. The Claimant further submitted that the prosecution of the U.S. Trade-mark

Serial No. 85506918 is an ongoing exercise with the USPTO and will not be resolved during the hearing of this matter. And finally, the Claimant submitted that the Registrant cannot make the case that it has a legitimate interest in the Domain Name as the Licensor never completed an exclusive distribution or intellectual property license agreement for Canada. It submits that the Licensor did not grant to the Registrant permission to use the Trade-Mark in the registration of the Domain Name and that the Complainant has “further completed an intellectual property license agreement with Cleveland Cyclewerks LLC with respect to the licensed use in Canada” of the Trade-Mark.

DECISION ON REGISTRANT’S CLAIM FOR COSTS

To be successful in its request that the Panel make an order pursuant to paragraph 4.6 of the Policy, the Registrant must convince the Panel that the Complaint was commenced by the Complainant for the purpose of attempting, unfairly and without colour of right, to cancel or obtain a transfer of the Domain Name. In this context, the Registrant characterizes the conduct of the Complainant as engaging in what has been termed “Reverse Domain Name Hijacking”, or “RDNH”, and the Registrant submits that this RDNH on the part of the Complainant establishes that the Complainant is attempting, unfairly and without colour of right, to obtain a transfer to it of the Domain Name.

In *Globe Media International Corporation v. Bonfire Developments Inc.* (CIRA 00124, April 15, 2009) and subsequently, *Globe Media International Corporation v. Bonfire Developments Inc.* (CIRA 00135, May 9, 2009), the panel found that the complainant in that matter had engaged in RDNH and, after directing the registrant to make its submissions to the Provider on costs for a determination by the panel, subsequently made an order against the complainant pursuant to paragraph 4.6 of the Policy in the amount of \$5,000.

The panel in *Globe Media* was faced with a situation similar to the matter at hand. It observed in paragraph 7 of that decision that “a number of the allegations made on both sides would require a trier of fact with the capability to assess claims and witnesses”. In coming to its decision that the complainant had engaged in RDNH, the panel in *Globe Media* observed that a panel must consider a number of factors, including the conduct of the complainant and the nature of the domain name.

The matter at hand as has been asserted on numerous occasions by both the Complainant and the Registrant is really a matter that involves a disputed business relationship. The Domain Name is merely one aspect of this dispute. The dispute itself is better left to the courts and not to this forum.

In its Complaint, the Complainant:

1. Did not include the certificate required by Rule 3.2(o);
2. Until reference was made thereto by the Registrant in the Response, did not address the dealings among the Registrant, the Licensor and the Complainant, although the Complainant certainly knew about some aspects thereof;
3. Again until referenced by the Registrant in the Response, made no mention of the License Agreement;

Domain Name: clevelandcyclewerks.ca
Visionary Motorsports Ltd.
and
MC Motorsports Canada Ltd.
BCICAC File No: DCA-1479-CIRA

4. When the License Agreement was produced in evidence, had no response to Sections 8 and 10 thereof which provide that the Claimant has no rights in the Trade-Mark; and
5. Claims in its response to the Registrant's claim for costs that an intellectual property agreement exists between the Claimant and the Licensor granting the Claimant rights in the Trade-Mark, although a copy of such intellectual property agreement has not been submitted in evidence before us.

We agree with the Registrant that the Complainant in its submissions has not been "complete and accurate" as required by paragraph 3 of the certification referred to above.

We also question how the Complainant even with the advice of counsel could be claiming that it has "Rights" in the Trade-Mark when the License Agreement clearly provides to the contrary. In the *Vancouver Community College* and *District of West Kelowna* decisions referred to us by the Complainant, the complainant in each of these situations had at least a colour of right to the Mark underlying the domain name. In this matter, we are hard pressed to understand how the Complainant is reasonably able to claim any colour of right to the Trade-Mark.

Paragraph 4.6 requires that to be entitled to an order for costs, the Registrant must prove, on a balance of probabilities, that the Complaint was commenced by the Complainant for the purpose of attempting, unfairly and without colour of right, to obtain a transfer to it of the Domain Name. Given that the Complainant has failed to establish any Rights in the Trade-Mark, we struggle to understand how the Complainant could believe that it had a "colour of right" to seek a transfer of the Domain Name.

Rather, given the context of the dispute among the Registrant, the Licensor and the Complainant with respect to the distribution of the Licensor's products in Canada, instead of seeking a remedy through a court of competent jurisdiction, there is a very strong suggestion that the Complainant has sought to use this process as a short cut to acquire the Domain Name. In other words, that the Complaint does constitute a serious attempt at an RDNH on the Complainant's behalf.

ORDER ON REGISTRANT'S CLAIM FOR COSTS

The Panel finds that the Complainant has engaged in Reverse Domain Name Hijacking and that such activity on behalf of the Complainant constitutes an improper attempt under paragraph 4.6 of the Policy to obtain a transfer of the Domain Name to the Complainant.

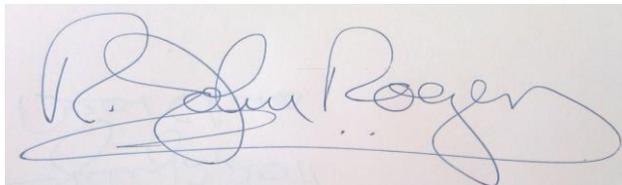
Therefore, the Panel has determined to exercise its authority pursuant to paragraph 4.6 of the Policy and to award the Registrant costs.

The Panel hereby orders that the Complainant pay to the BCICAC in trust for the Registrant the sum of \$5,000 to defray the costs incurred by the Registrant in preparing for, and filing material in this matter.

Dated: May 27, 2013.

Elizabeth Cuddihy, Q.C., ICA, Panel Member, Thomas Manson, Q.C., C. Arb.,
Panel Member, and R. John Rogers, Panel Chair.

Per:

A handwritten signature in blue ink, appearing to read "R. John Rogers", written over a horizontal line.

R. John Rogers, Panel Chair