

15 April 2003

## Complaint

**Air Products Canada Ltd. / Prodair Canada Ltée**

v.

**Index Quebec Inc.**

### **PARTIES**

The Complainant is Air Products Canada Ltd / Prodair Canada Ltée (“Air Products”) of 2090 Steeles Avenue East, Brampton Ontario, L6T 1A7.

The Registrant is Index Quebec Inc., 1, Place Ville-Marie, Suite 2821, Montréal Québec, H3B 4R4.

### **DISPUTED DOMAIN NAME AND REGISTRAR**

The domain name in dispute is *airproducts.ca*.

The Registrar of the domain name is DomainPeople, Inc.

The domain name was registered on December 4, 2000.

### **PANEL**

Mr. Jean G. Bigras, Mr. Denis N. Magnusson (Chair) and Ms. Daria Strachan served as the panel for this dispute.

The undersigned, acting as a three person Panel, certify that they have acted independently and impartially and that to the best of their knowledge they have no conflict in serving as Panelists in this proceeding.

Jean G. Bigras

Denis N. Magnusson

Daria Strachan

### **SUMMARY OF DECISION**

#### **A. Complainant’s Claim**

The Complainant was the owner of the Marks, the trade name *Air Products Canada Ltd.*, since at least 1997, and the registered trademark *Air Products plus an associated graphic design*, since 1991. The Complainant sought the transfer to it of the domain name *airproducts.ca*, registered by the Registrant in December, 2000, on the ground that the Registrant’s domain name was

confusingly similar to the Complainant's Marks. The Complainant alleged that the Registrant had no legitimate interest in its descriptive domain name.

### **B. Registrant's Counterclaim**

The Registrant counterclaimed under Policy para. 4.6 for costs, alleging that the Complaint had been made "unfairly and without colour of right".

### **C. Complainant's Case**

To succeed the Complainant must show:

That the domain name is confusingly similar to the Complainant's Marks

That the Registrant registered the domain name in bad faith, as defined in the Policy

That the Registrant has no legitimate interest in the domain name, as defined in the Policy

#### **1) "Confusingly Similar"**

If the trade name and trademark law on confusion is considered in defining "confusingly similar", the Panel finds that the Registrant's domain name is *not* confusingly similar to the Complainant's Marks. The Complaint would be dismissed.

If a test of literal, objective similarity is the proper test of "confusingly similar", the Panel finds that the domain name is confusingly similar to the Complainant's Marks. This finding would require the Panel to consider the issues of the Registrant's possible bad faith in registering the domain name and/or of the Registrant's possible legitimate interest in the domain name

#### **2) Registration in "Bad Faith"**

For the Complainant to succeed the Complaint must prove, in addition to the domain name being confusingly similar to the Complainant's Marks, that the registration of the domain name was made in bad faith.

] The Policy definition of "bad faith", which excludes any other definition of bad faith, requires the Registrant to have registered the domain name with the Complainant's prior interest in a confusingly similar Mark specifically in mind. That is, to be a bad faith registration, the domain name registration must have been consciously and specifically directed by the Registrant at the Complainant and its interests. The evidence persuades the Panel that the Registrant registered the domain name as part of a business plan to exploit descriptive domain names, and that the registration of the *airproducts.ca* domain name was made in ignorance of the Complainant's Marks, and was in no way directed specifically at the Complainant.

This finding would be sufficient to dismiss the Complaint.

#### **3) Registrant's "Legitimate Interest"**

While unnecessary to be considered in light of the Panel's finding of lack of bad faith in registered the domain name, the Panel, in consideration of the parties' submissions on the issue, comments on whether the Registrant would have a legitimate interest in the domain name under the Policy (which the Registrant would have to show to keep the domain name if the domain name had been found to be confusingly similar to the Complainant's Marks and if the Registrant had been found to have registered the domain name in bad faith).

The Panel finds that the Registrant would have no legitimate interest in the domain name under the Policy as the Registrant had not used the domain name prior to the receipt of the Complaint in association with wares, services or businesses of which the domain name was clearly descriptive.

#### **D. Registrant's Counterclaim**

To succeed in its counterclaim for costs, the Registrant must show that the Complaint had been made "unfairly and without colour of right". The Panel finds that the Complainant did have a colour of right in making its Complaint, which precludes the Registrant from recovering costs.

### **PROCEDURAL HISTORY**

#### **A. The Complaint**

The Provider determined that the Complaint was in conformity to Canadian Internet Registration Authority ("CIRA") *Domain Name Dispute Resolution Policy* ("Policy") and *Domain Name Dispute Resolution Rules* ("Rules"). The Complaint was forwarded to the Registrant on 28 January, 2003

#### **B. Response**

The Registrant requested an extension, from the Provider, of the date for the filing of a Response under the Rules para. 5.4. The date for filing the Response was extended to 10 March, 2003. A Response was filed within this extended period.

#### **C. The Panel Appointed**

The Provider appointed a three person panel, pursuant to the Rules, para. 6.4. The Provider gave notice of the selection of the Panel and forwarded the Complaint and Response to the panel members on March 17, 2003.

### **CIRA DISPUTE RESOLUTION JURISDICTION**

The CIRA Registration Agreement governing dot ca domain names requires, in Article 3.1(a)(iv), that throughout the term of the registration agreement the Registrant shall comply with the Policy. The Policy, para. 3.1, requires that the Registrant submit to this dispute resolution proceeding.

### **APPLICABLE LAW**

Rules, para. 12.1, requires the Panel to apply "the laws of Ontario or, if the Registrant is domiciled in Quebec, the laws of Quebec . . . and in any event, the laws of Canada applicable . . .". The Registrant appears to be domiciled in Quebec.

Under the CIRA Registration Agreement, to which the Registrant agreed to be bound when it registered the domain name, the Policy becomes the substantive law under which this dispute

will be decided. The laws of Quebec make the Registration Agreement binding as contract (obligation) on the Registrant.

## FACTS

### A. The Complainant

The Complainant corporation took its present form under the name Air Products Canada Ltd. on October 1, 1997 as a result of an amalgamation under the *Ontario Business Corporations Act* of two predecessor corporations, one of which bore the name Air Products Canada Ltd. The Complainant states that it has conducted business under the trade name Air Products Canada Ltd. since at least October, 1997. The Complainant is also the owner of a trademark registered in the Canadian Intellectual Property Office (“CIPO”), registration number TMA389819, consisting of the words AIR PRODUCTS with an associated graphic design. A predecessor corporation of the Complainant applied to register this trademark on June 27, 1988 and registration was effected on November 8, 1991. The Complainant is related to a large multinational business, Air Products and Chemicals Inc., a Delaware corporation headquartered in Allentown Pa. in the U.S. The Complainant’s parent corporation acquired the domain name *airproducts.com* on July 6, 1995. The parent operates a web site at that domain address. The parent corporation and/or its other subsidiary corporations in other countries have registered and are using a number of domain names including the words “air products”, among which are such domain names in other the country top level domains such as *airproducts.co.uk*, *airproducts.ie*, *airproducts.de*, and *airproducts.nl*.

### B. The Registrant

The Registrant is a corporation which was incorporated under the *Canada Business Corporations Act* in 1996. The Registrant has carried on a business of providing advertising services to its clients on web sites operated by the Registrant. The Registrant registered the domain name *airproducts.ca* on December 4, 2000. The Registrant submitted a list of 44 other domain names, each containing generic or descriptive terms coupled with the word “products”, such as *foodproducts.ca*, for which the Registrant had also secured registration in or about December, 2000.

The Registrant states that its business plan with respect to these generic or descriptive domain names it had registered was to offer space and links on its web sites to advertisers whose products matched the particular generic or descriptive domain name. The Registrant proposed to charge its clients monthly rentals for such space and links on its web sites.

The Complaint states that when Internet users connected to the domain name *airproducts.ca*, they would be taken to another website, *adsindex.com*, operated by the Registrant. The Registrant’s Response indicates that connecting to its domain name *airproducts.ca* in the period October 16, 2002 and January 30, 2003 would lead to the *adsindex.com* website. The Response further states that the *adsindex.com* website is the default page attached to one of the Registrant’s domain names when the Registrant has not yet had the time to select the products and advertisers most pertinent to the descriptive domain name and to develop a specific web site for the descriptive domain name. The Respondent states that it has 1118 .ca registered domain names to

exploit, and submits that it is “normal” that it now actively exploits about 600 domain names, while about 500 domain names are not yet actively exploited and remain attached to its default web page. The Registrant further provided evidence that subsequent to January 30, 2003, which is subsequent to the date upon which the Registrant received notice of the Complaint (on January 28, 2003), the *airproducts.ca* domain name was attached to an active website featuring advertisements of its clients. The advertisements dealt with air conditioning and air purifying products.

The Complainant contacted the Registrant by e-mail on January 23, 2003. In that e-mail the Complainant noted that on reaching the site connected to the Registrant’s *airproducts.ca* domain name, it appeared that the Registrant was prepared to rent the site for \$199 (while not expressly stated, this appears to be a reference a monthly rental amount). The Registrant replied that this offer was an experiment from the previous year (2002) in which the Registrant was testing the market for rental of some of its generic and descriptive domain name sites. The Registrant further stated that it believed that it might take some time, perhaps five years, to develop the market for the rental of its .ca domain names. The Registrant also expressed surprise to discover that there was a business called Air Products, as the Registrant thought that Canadian law did not permit a business name that was descriptive of the business’s products.

The e-mail correspondence continued at least to February 4, 2002. In its Response, the Registrant submits that an examination of the correspondence shows:

- 1) that the Complainant first contacted the Registrant, expressing an interest in acquiring the domain name,
- 2) that the Registrant informed the Complainant of its business plan for its descriptive domain names and that the Registrant believed that would eventually to be able to generate a substantial monthly rental from its domain name under this business plan,
- 3) that the Registrant initially resisted the Complainant’s invitation to consider the sale or rental of the domain name, and
- 4) that the Registrant finally made an offer to rent the domain name to the Complainant at a monthly rental of \$1,400 as a result of being pressed to make an offer of sale or rental by the Complainant.

The Committee concludes that this characterization of the facts revealed by the e-mail correspondence is generally fair and accurate.

The Complainant filed this Complaint with the Provider in January, 2003.

## **RELIEF SOUGHT**

The Complainant requests that the domain name be transferred from the Registrant to the Complainant.

The Registrant asks that the transfer of the domain name be refused. The Registrant also asks that the Complainant be ordered to pay the Registrant the sum of \$5,000, because the Complainant has commenced this proceeding for the purpose of attempting, unfairly and without colour of right, to obtain a transfer of the domain name, as is provided for in Policy, para. 4.6.

## **REQUIREMENTS FOR COMPLAINANT TO SUCCEED UNDER THE POLICY**

Policy, para. 4.1 sets out three questions to be answered in considering in whether the Complainant will succeed.

### **A. IS THE DOMAIN NAME CONFUSINGLY SIMILAR TO A MARK IN WHICH THE COMPLAINANT HAS RIGHTS?**

#### **1) THE COMPLAINANT'S MARKS**

The Complainant relies on its trademark, AIR PRODUCTS plus an associated graphic design, registered under the Canadian *Trade-marks Act* on November 8, 1991, registration number TMA 389819.

The Complainant also relies on its trade name, Air Products Canada Ltd., which was recognized as the Complainant's corporate name under the *Ontario Business Corporations Act*, when the Complainant corporation was amalgamated into its present form on October 1, 1997.<sup>1</sup>

#### **2) COMPLAINANT'S RIGHTS IN MARKS**

Under Policy, para. 3.3(b), a person is deemed to have Rights in a Mark if the mark is registered in the Canadian Intellectual Property Office ("CIPO"). Thus, the Complainant had Rights in this Mark, the registered trademark AIR PRODUCTS plus design, as of the date of registration, November 8, 1991, well prior to the Registrant's date of registration of the domain name, December 4, 2000, and it continues to have such rights at the time of the Complaint.

Under Policy, para. 3.3(a), a person is deemed to have Rights in a Mark which is a trade name if that trade name has been used by that person in Canada for the purpose of distinguishing the business of that person from the business of other persons. The Complainant asserts that it has used the trade name AIR PRODUCTS CANADA LTD. since at least as early as October, 1997, prior to the Registrant's registration of the domain name on December 4, 2000. The Complaint included photocopies of business cards of the Complainants officers, business letterhead, purchaser orders, invoices and a print-out from the Complainant's web site operated under the domain name *airproducts.com* on which was a link to the Complainant's Canadian business

---

<sup>1</sup> A search of the ONCORP database indicates that the Complainant amalgamated corporation is a successor to a corporation incorporated in 1951 under a predecessor act to the OBCA. That predecessor corporation had the name Air Products Canada Ltd. The predecessor legislation was not affected by Regulations similar to the following Regulation which applies to the OBCA.

*Business Corporations Act*, REGULATION 62, Amended to O. Reg. 288/00

11.(1) A corporate name shall not be, . . .

(b) only descriptive, in any language, of the quality, function or other characteristics of the goods or services in which the corporation deals or intends to deal; . . .

unless the proposed corporate name has been in continuous use for at least twenty years prior to the date of filing the articles or the proposed corporate name has through use acquired a meaning which renders the name distinctive.

operation. As the Complainant continues to use the trade name, it continues to have Rights the trade name at the time of the Complaint.

### **3) IS THE REGISTRANT’S DOMAIN NAME *CONFUSINGLY SIMILAR* TO THE COMPLAINANT’S MARKS?**

#### **a) *CONFUSINGLY SIMILAR***

The term “confusingly” in “confusingly similar” might be interpreted as requiring similarity which tends to cause “confusion”, as that term is defined in trademarks and trade name law<sup>2</sup>. Under that law the function of a trade name is to distinguish one business from other businesses and the function of a trademark is to distinguish the products originating from one business from products originating from other businesses. “Confusion” occurs when a business engages in a practice, such as adopting a trademark or trade name very similar to those of another business, which tends to “confuse” would-be customers of the other business into dealing instead with the business adopting such practices of confusion.

However, in order for such trademark or trade name “confusion” to arise, the complaining business’s trademark or trade name must be capable of identifying the original business and of identifying its products as originating with that business. It is a principle of trademark and trade name law that a mark or name which is simply a clear description of the type of business or products is not inherently capable of distinguishing one, particular business and its products from other businesses or products of that same type. Thus, such clearly descriptive terms cannot, generally, be effectively monopolized by any one business as its trademark or trade-name.

In his Response the Registrant notes that the only elements of the Complainant’s Marks and of the Registrant’s domain name which are similar are the words “air products”. The Registrant notes that these words are clearly descriptive of the Complainant’s products and are also clearly descriptive of the products of the Registrant’s clients, whose products are featured on the web site reached by the Registrant’s domain name. In bolstering this submission, the Registrant notes that with respect to the Complainant’s registered trademark, the Complainant was required by the C.I.P.O. to disclaim any right to the exclusive use of the words “air products”, apart from the exclusive right to the use of the Complainant’s trademark as registered consisting of the words “Air Products” *coupled with particular design elements*.

The Panel finds that the domain name *airproducts.ca* is not “*confusingly similar*” to the Complainant’s registered trademark *AirProducts plus graphic design* or to the Complainant’s trade name *Air Products Canada Ltd.* because, for the ordinary Internet user, the words “air products”, whether as part of the Complainant’s Marks or the Registrant’s domain name, in the constrained context of Internet domain name use, are not adapted to and do not distinguish one business from other businesses nor are they adapted to and do not distinguish the products of one

---

<sup>2</sup> Trademarks and trade names, as such, are the “Marks” defined in Policy, para. 3.2 which are the object of protection of the Policy. Thus, the legally protected function of trademarks and trade names might well be seen as necessarily subsumed, to some extent at least, in the scope of protection for such Marks in the Policy’s condemnation of mal-adoption of domain names, and in the definition of “confusingly similar” in Policy, para. 3.4.

business from the products of other businesses, but simply describe a type of business, and a type of products which could originate from any one of many businesses.

Thus, the domain name is not “*confusingly similar*” to the Complainant’s Marks. This is sufficient to dismiss the Complaint.

However, particularly as the Policy has been relatively recently implemented has not yet been extensively interpreted, the Panel believes it must acknowledge other interpretations of “*confusingly similar*”. This is especially so as the Policy is derived to some extent from ICANN’s U.D.R.P. in which the words “*confusingly similar*” are also used, and which words have tended, in a number but not all cases, to receive an interpretation which differs from that above. In this other approach, the focus has tended to be on the mere objective similarity of Mark and domain name, that is, a test of being “*confusingly similar*”.

**b) CONFUSINGLY SIMILAR**

*The domain name airproducts.ca greatly resembles the complainant’s Marks, whether the trade name Air Products Canada Ltd. or the registered trademark AirProducts plus design. This resemblance is such that the Panel could conclude that the domain name is likely to be mistaken for one or both of these Marks, and thus the Registrant’s domain name is confusingly similar to the Complainant’s Marks.*<sup>3</sup>

If the Registrant’s domain name is confusingly similar to the Complainant’s Marks, we must consider whether the Registrant has registered the domain name in bad faith, as defined in the Policy.

**B. DID THE REGISTRANT REGISTER THE DOMAIN NAME IN BAD FAITH?**

Under the Policy, even if the Registrant’s domain name is confusingly similar to the Complainant’s trademark or trade name, the Complainant cannot succeed unless the Complainant can establish that the Registrant has registered the domain name in bad faith. However, under the Policy this is not a generalized concept of bad faith but is limited to the specific instances of bad faith set out in Policy para. 3.7.

Para. 3.7 requires evidence that the Registrant registered the domain name with the Complainant specifically in mind in one of three specific contexts:

- a) anticipating sale of the domain name to the Complainant or a competitor,
- b) to prevent the Complainant from registering the domain name (as a competitor of the Complainant might do), or
- c) *primarily* to disrupt the business of the Complainant.

The Registrant submits, in its Response, paras. 33 to37, that it’s registering the domain name, *airproducts.ca*, was not directed at the Complainant in any of the three modes set out in para. 3.7. The Registrant was aiming to monopolize the use of a number of descriptive domain names, and it was not aiming at the Complainant in any of the three senses in Policy para. 3.7. The Registrant offers persuasive evidence of it having adopted a business plan of registering a

---

<sup>3</sup> Policy, para. 3.4.

number of generic or descriptive .ca domain names, of which *airproducts.ca* was only one. That the Registrant had not registered the domain name with the Complainant specifically in mind in one of the senses set out in Policy para. 3.7, is substantiated by the Registrant's surprise in discovering that there was a business in Canada with the descriptive name Air Products, as revealed in the e-mail exchange submitted in evidence by the Complainant.

Since the Registrant did not register the domain name in bad faith, as defined in Policy, para. 3.7, the Complaint must be dismissed.

Thus, it is unnecessary to move on to the third question, whether the registrant has a legitimate interest in the domain name. However we do so from respect for both Complainant and Registrant Complainant and Registrant, both of whom have submitted evidence and argument on this third question.

## **C. DOES THE REGISTRANT HAVE A LEGITIMATE INTEREST IN THE DOMAIN NAME?**

### **1) Introduction**

Policy, para. 4.1 provides that even if the domain name is confusingly similar to the Complainant's Marks and even if the Registrant has registered the domain name in bad faith as defined in Policy para. 3.7, the Registrant will succeed if the Registrant proves that it has a legitimate interest in the domain name as defined in Policy para. 3.6. The Policy definition in para. 3.6 of what constitutes a legitimate interest is exclusive – that is, no other conception of legitimate interest can be considered.

Policy, para. 3.6 has six specific definitions of what can constitute a legitimate interest (sub-paras. "a" to "f"). The only sub-paras. that could be relevant to this case are sub-paras. (b) and (c). However, in this case these two sub-paras. raise essentially the same question, so we can limit our comments to sub-para. (b).

Policy para. 3.6(b) states that a Registrant has a legitimate interest in a domain name if:

- the Registrant has *used* the domain name in good faith in association with any wares, services or business, before the receipt by the Registrant of the notice of the Complaint -- in this case that date was January 28, 2003 - and
- the domain name was *clearly descriptive* in Canada in the English . . . language of . . . the *character or quality of the wares, services or business* [in association with which the domain name has been used by the Registrant]

### **2) Registrant's Use of the Domain Name As of January 28, 2003**

In defining what constitutes a legitimate interest in a domain name the Policy, para. 3.6(b) requires use of the domain name "in Canada in good faith in association with any wares, services or business".

**a) Use with Wares, Services and Businesses on the Default Web Site**

As of January 28, 2003, the *use* that the Registrant was making of the domain name, *airproducts.ca*, was to link that domain name to its default website.

The Registrant's Response, paras. 13 and 14 states that part of the reason for the domain name *airproducts.ca* not then being attached to a web site specifically created for that domain name was that the Registrant had registered a very large number of domain names (1118) and that it took time for the Registrant to get to creating specific web sites for each of these names. Those domain names not yet attached to a specific site created for them, were linked to the plaintiff's general site at *adsindex.com*. Further, the Response indicates that the Registrant's server failed on October 16, 2002, which required a partial manual restoration of its system, which delayed the Registrant in its project of creating specific web sites for each of its domain names.

The Registrant further submits in its Response that the Registrant of a domain name is not required to exploit a domain name distinctively, actively and without interruption in order to be considered to have a legitimate interest in that domain name under Policy, para. 3.6. The Panel agrees that the domain name use need not be without interruption, as *reasonable* allowance must be made for such things as start-up delays and unforeseen events which temporarily disrupt use. Similarly, the Panel agrees that the use of the domain name need not always be distinctive, if that means a unique web site for each domain name. An active business web site, for example, might quite properly be linked to more than one domain name, with each of those names being used as Policy 3.6 requires. However, we disagree that Policy, para. 3.6 does not contemplate that a Registrant must otherwise be making active use of the domain name.

In particular, Policy, para. 3.6(b) requires "good faith" use of the domain name in association with "any wares, services or business". "Good faith" is not further defined in the Policy, but it might exclude some forms of mere token use, undertaken simply for the purpose of trying to preserve rights in a domain name that was not otherwise being actively used by its Registrant.

Prior to January 28, 2003, when the Registrant received notice of the Complaint, the Registrant used the domain name to link to its *adsindex.com* web site. The Complaint included a print of this web page as Appendix I. That web page features links to other web pages, which appear to be pages of businesses not owned or operated by the Registrant of the *airproducts.ca* domain name. We assume that the businesses at these links are client-advertisers of the Registrant. We assume that these other web pages advertise and/or offer for sale various wares or services – we note, for example, links to businesses offering pharmaceutical products and travel services, among other wares and services.

Does the Policy require that the Registrant be using its descriptive domain name to describe wares, services or a business of the Registrant itself, as opposed to the wares, services or businesses of others? The use of the word "any" in the Policy para. 3.6(b) requirement that the domain name be used in association with "*any* wares, services business", suggests that there is no such requirement. Thus, the Registrant has used the domain name in association with wares, services or businesses, though the use is to locate a web site which merely advertises the wares, services and businesses of persons other than the Registrant of the domain name.

**b) Use With the Registrant’s Web Site Advertising Business**

Has the Registrant used the domain name *airproducts.ca* in association with its own business, as set out in its business plan for exploiting generic and descriptive domain names? While not finally determining the issue, the Panel notes that prior to January 28, 2003, the date upon which Registrant received notice of the Complaint, the Registrant had not begun actively to exploit this domain name in its business, as it had not yet developed the appropriate specific web site for that domain name. The Registrant, in its Response, suggests that its failure so to actively exploit this domain name by that date (slightly more than two years after the date of registering the domain name) should be excused by the inevitable start-up delays affecting the Registrant who had registered a very large number of domain names. The Panel notes that it is at least questionable whether these reasons for the delay in active exploitation of this domain name fit the notion of reasonable delays and interruptions in use which the Panel believes are inherent in the use requirements of Policy para. 3.6. There are, at least, serious questions about whether the Registrant had then yet been used the domain name with its web site advertising business.

**3) Was the Domain Name *Clearly Descriptive* of the Wares, Services or Business in Association with Which it Had Been Used by the Registrant Prior to January 28, 2003?**

Under Policy para. 3.6(b) the domain name used by the Registrant in association with wares, services or business must be clearly descriptive of the character or quality of “*the* wares, services or business”, that is, clearly descriptive of the actual wares, services or business in association with which the Registrant used the domain name, though those wares, services and business may be the wares, services and businesses of others than the Registrant.

**a) *Clearly Descriptive* of the Wares, Services, and Businesses on the Default Web Site?**

An examination of the *adsindex.com* web site print out included in the Complaint does not reveal any link to another business web site at which there would be wares, services, or businesses for which the term “airproducts” would be “clearly descriptive”. Nothing in the Response disabuses us of this conclusion. Thus, as of January 28, 2003, the date upon which the Registrant received notice of the Complaint, the Registrant had not used the domain name in association with wares, services, or businesses that were clearly described by the domain name, as required by Policy para. 3.6(b), by reference to the wares, services and businesses which appeared on, or could be reached by links on, the only web site in association with which the Registrant had used the domain name.

**b) *Clearly Descriptive* of the Registrant’s Web Site Advertising Business?**

If the Registrant is seen as having used the domain name *airproducts.ca* in association with its web site advertising business, the domain name is not clearly descriptive of that business.

**CAN THE REGISTRANT SECURE COSTS FOR A BAD FAITH COMPLAINT?**

In Policy para. 4.6, if the Registrant, when successful on the substance of the Complaint as the Registrant is in this case, can prove that the Complaint was commenced “unfairly and without

colour of right” in an attempt to secure the domain name, the Registrant is entitled to claim from the Complainant a monetary contribution to its costs in preparing its Response. The Complainant can be ordered to pay up to \$5,000 to defray the costs of the Registrant in preparing its Response.

The Policy does not further define what constitutes:

- unfairly, and
- without colour of right

### **A. Colour of Right**

“Colour of right” is an ancient term in the common law used in a number of contexts. For example, in the *Criminal Code*, s. 322<sup>4</sup> defines the offence of theft, in part, as:

**322.** (1) Every one commits theft who fraudulently and without colour of right takes . . . anything . . . with intent . . . to deprive . . . the owner of it, . . . the thing or of his property . . . in it;

A classic example of having a colour of right in relation to a possible theft charge is the case of a person at an airport luggage carousel who takes a bag which is not his – an apparent theft – but whose defence is that he made an honest mistake because he was a passenger on that flight, he had checked his own bag on the flight, and the bag he took looked very similar to his own bag. He had no right to take a bag that was not his own, but in the circumstances – an honest belief that the similar looking bag was his – he had a colour of right to take the bag and he will escape a theft conviction.

Thus, the two essential dimensions of colour of right appear to be an honest, though mistaken, belief in one’s right, and some reasonable factual basis upon which that belief was based.

In this case the Complainant had a prior legal right to Marks under the Policy, *i.e.*, the trade name, Air Products Canada Ltd., and its registered trademark, Air Products plus an associated graphic design. The state of the law under the Policy on what constitutes a domain name which is Confusingly Similar to a Mark is in a state of some uncertainty. Precedents, particularly if the interpretation of the similar, though not identical, provisions of the UDRP are considered, provide support for a test of simple literal similarity between the domain name and the Mark. On that test, the domain name *airproducts.ca* is similar, and perhaps confusingly similar, to the Complainant’s trade name and trademark. Further, when the Complainant considered the whether its claim to require transfer the possibly confusingly similar domain name would be defeated by the Registrant’s “legitimate interest” in the descriptive domain name, the Complainant had to assess the effect of the Registrant’s only use of the domain name to the date of its Complaint. That use, merely attaching that domain name to the Registrant’s general web site, might reasonably appear to the Complainant not to meet the requirements for such legitimate interest as the Registrant was not yet using the domain name in association with wares, services or a business of which the domain name was clearly descriptive. In the circumstances, an honest belief in these two elements – that, under the Policy, the domain name

---

<sup>4</sup> *Criminal Code*, R.S.C. 1985, c. C-46, as amended.

might be confusingly similar to the Complainant's Marks and that the Registrant might have no legitimate interest in the domain name – would be sufficient to establish a colour of right.

### **B. Unfairly**

We interpret the “and” in the Policy, para. 4.6, requiring a Complainant to attempt to secure a transfer of the domain name, “unfairly *and* without colour of right”, to be a conjunctive “and”, that is, both unfairness and a lack of a colour of right are required. Having found that the Complainant did have a colour of right, we need not consider whether the Complainant's action was unfair. Indeed, in any case such as this one in which there is a colour of right, the Policy may imply that it is impossible for the Complaint to be unfair. Under the Policy, para. 4.6, unfairness may have been intended to be an issue only when no colour of right is found – the additional requirement of unfairness must then be met for the Registrant to succeed under Policy para. 4.6.