



CANADIAN INTERNATIONAL INTERNET DISPUTE RESOLUTION CENTRE

DOMAIN NAME DISPUTE

ADMINISTRATIVE PANEL

DECISION

CIIDRC case number:	18846-CDRP	Decision date: January 4, 2023
Domain Name:	clubcar.ca	
Panel:	Richard C. Levin	
Complainant:	Club Car, LLC	
Complainant's representative:	Barry Hutsel	
Registrant:	Siona/ Simolo Customs	

1. PROCEDURAL HISTORY

The procedural history of this case was set out in a letter from the Canadian International Internet Dispute Resolution Centre ("CIIDRC") to the Panel of December 16, 2022. CIIDRC is a recognized service provider pursuant to the CIRA Domain Name Dispute Resolution Policy of the Canadian Internet Registration Authority ("CIRA"). This is a proceeding under the CIRA Domain Name Dispute Resolution Policy (the "Policy"), in accordance with the CIRA Dispute Resolution Rules (the "Resolution Rules").

The particulars of the case are as follows:

1. On November 23, 2022, Barry Hutsel, counsel for Club Car, LLC, filed a Complaint pursuant to the Policy and the Resolution Rules.
2. On November 24, 2022, CIRA was notified of this proceeding. On the same date, CIRA transmitted by email to CIIDRC its verification response informing who is the Registrant of the disputed domain name clubcar.ca ("Domain Name"). CIRA also confirmed that the Domain Name was placed on a Registrar LOCK.
3. On November 24, 2022, CIIDRC, as Service Provider, confirmed compliance of the Complaint and commencement of the dispute resolution process.

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4. Pursuant to Resolution Rule 4.4, CIIDRC notified the Registrant of this administrative proceeding and forwarded a copy of the Complaint and the commencement letter to the Registrant's mailing address on November 24, 2022.

5. The Registrant failed to file its response by the due date of December 14, 2022.

6. The Complainant in this administrative proceeding has elected for a Panel consisting of a single member.

7. CIIDRC appointed the undersigned, Richard C. Levin, as a single-member Panel in the above-referenced matter. The Panel has executed and returned the required Statement of Acceptance and Declaration of Impartiality and Independence.

8. The undersigned finds that he has been properly appointed and constituted as the Panel to determine the Complaint in accordance with the Resolution Rules.

The Domain Name was registered on May 22, 2014.

This matter is conducted pursuant to the Policy and the Resolution Rules.

2. FACTS ALLEGED BY THE PARTIES

The background facts can be summarized as follows. As the Registrant has not appeared in this matter, the Panel will decide the dispute based upon the Complaint per Resolution Rule 5.8. Complainant Club Car LLC is an American company, headquartered in Evans Georgia, which manufactures electric and gas-powered golf carts and small utility vehicles for personal and commercial use. Through exhibits submitted by Complainant, it has a number of distributors for its products in Canada, and all over the world per its website, <https://www.clubcar.com/en-us>. The Complainant's Canadian trademark "Club Car" was registered on October 26, 1990, and was renewed on October 26, 2020. The Canadian Trademark Registration page, annexed to the Complaint, indicates the trademark has been claimed to be in use since 1979. Registrant does business as SC Carts and is located in Vernon, British Columbia.

The business/contractual relationship between the Complainant and the Registrant dates back, per the Complaint, to June 2014. Around that time, the Registrant applied to become an authorized dealer of Complainant. An agreement between the parties for Registrant to become a non-exclusive dealer for certain Complainant's products, is dated July 9, 2014, and is annexed as an exhibit to the Complaint. Notably, Registrant previously registered the Domain Name only a few weeks before on May 22, 2014. The relationship continued to June 6, 2018, when the parties entered into a Mutual Separation Agreement, alleged in the Complaint due to a lack of sales by Registrant. During the course of the four-year relationship, the parties entered into another non-exclusive distributor agreement for a different product line; in both distributor agreements, there is a provision restricting Registrant from using the Complainant's trademarks in the title of its company or business name or in the title of its internet website or domain name. The agreements further

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stipulate that the Registrant will “immediately assign any internet website or domain name for which it possesses an ownership interest to the Complainant if it contains a Club Car Trademark”. All the agreements between the parties are annexed to the Complaint and part of the record the Panel has reviewed. In reviewing Registrant’s website today, Registrant’s business is selling a variety of carts and similar small vehicles, but not the Club Car models.

The Complainant alleged it only learned of the Registrant’s ownership of the Domain Name on November 26, 2021, when one of its sales reps entered www.clubcar.ca into a browser and realized it resolved to the SC Carts website at <https://www.sc-carts.com>. Counsel for Complainant wrote to Registrant in an attempt to have Registrant transfer the Domain Name to Complainant but was unsuccessful. The correspondence of both parties is also annexed to the Complaint. Therefore, Complainant brought this proceeding at CIIDRC to have the Domain Name transferred to it by reason of Registrant’s violation of the Policy.

3. CONTENTIONS OF THE PARTIES

- **Complainant**

The Complainant asserts that the Domain Name satisfies the three touchstones of the Policy. First, Complainant submits that the Domain Name is identical to the word elements of its trademark, the Domain Name is confusingly similar to a mark in which the Complainant had rights prior to registration of the Domain Name and continues to have rights. Furthermore, Complainant asserts that the circumstances are such the Registrant has no legitimate interest in the Domain Name, and, as well, that the Domain Name was registered in bad faith per the purpose of the Policy.

- **Registrant**

The Registrant has not filed a Response.

- **Remedy Sought**

The Complainant requests the Domain Name be transferred to it.

4. DISCUSSION AND FINDINGS

4.1 Eligibility

The Complainant is an eligible Complainant under paragraph 1.4 of the Policy. Paragraph 1.4 of the Policy requires that in order to initiate the Complaint, the Complainant, at the time of the initiation of the Complaint, must satisfy the Canadian Presence Requirements for Registrants (“Canadian Presence Requirements”) unless the Complaint relates to a trademark registered in the Canadian Intellectual Property Office (“CIPO”) and the

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Complainant is the owner of that trademark. The Panel finds that the Complainant is the owner of the Canadian registered trademark and that the Domain Name includes “the exact word component” of the trademark, namely the words “Club Car.” Therefore, Complainant satisfies the Canadian Presence Requirements of the Policy.

4.2 Requirements

In accordance with Paragraph 4.1 of the Policy, the onus is on the Complainant to prove on the “balance of probabilities:”

The Registrant’s dot-ca Domain Name is confusingly similar to a mark in which the Complainant had rights prior to the date of registration of the Domain Name and continues to have such rights;

The Registrant has no legitimate interest in the Domain Name as described in paragraph 3.4 of the Policy, although Complainant’s burden is only to show just “some evidence” of a lack of legitimate interest and Registrant can prove this element defensively; and

The Domain Name has been registered in bad faith.

The Panel will consider each of these requirements in turn.

4.3 Analysis

4.3.1 The Registrant’s dot-ca Domain Name is confusingly similar to a mark in which the Complainant had rights prior to the date of registration of the Domain Name and continues to have such rights.

As stated above, since the Registrant has not appeared in this matter, the Panel will decide the dispute based upon the Complaint per Resolution Rule 5.8. There likely is not much Registrant could say on this issue, however, as the Complainant has proved with its evidence that its trademark “Club Car” is duly registered in Canada and thus qualifies as a “Mark” under the Policy (3.2c). Complainant has shown that it registered its mark prior to the date of registration of the Domain Name and that it continues to have the rights in that trademark. Furthermore, per the Policy (3.3), as the Domain Name is identical to the word elements of the trademark, the Domain Name is confusingly similar to a trademark in which the Complainant has rights and is likely to be mistaken for Complainant’s trademark. Referring to the UDRP system as an analogue for this issue, generally, the test for “confusing similarity” involves a side-by-side comparison of the Domain Name and the trademark to assess whether the trademark is recognizable within the Domain Name. Section 1.7 of the WIPO Overview 3.0. Accordingly, Complainant satisfies the first prong of the Policy with its unrebutted evidence and showing.

4.3.2 The Registrant has no legitimate interest in the domain name as described in paragraph 3.4 of the Policy, although Complainant's burden is only to show just "some evidence" of a lack of legitimate interest and Registrant can prove this element defensively.

The Complainant contends Registrant has no legitimate interest in the Domain Name as it was "well aware of the Complainant's ownership of the trademark before the Registrant registered the Domain Name, since the Registrant entered into the 2014 Agreement with the Complainant only days after registering the Domain Name on May 22, 2014." Complaint, para 7.2 (i). Section 3.4 of the Policy lists six factors or criteria which if proved would show the Registrant does have a legitimate interest in the Domain Name. Again, it bears noting that since Registrant chose not to appear in this matter, the Panel must decide the dispute based on the Complaint per Resolution Rule 5.8. Furthermore, Resolution Rule 11.5 states that a failure to comply with the Resolution Rules, such as responding to the Complaint, allows the Panel to draw such "inferences therefrom as it considers appropriate." With this, the Panel turns to the factors in Section 3.4 of the Policy.

They are as follows:

- a. the domain name was a Mark, the Registrant used the Mark in good faith and the Registrant had Rights in the Mark;
- b. the Registrant registered the domain name in Canada in good faith in association with any wares, services or business and the domain name was clearly descriptive in Canada in the English or French language of: (i) the character or quality of the wares, services or business; (ii) the conditions of, or the persons employed in, production of the wares, performance of the services or operation of the business; or (iii) the place of origin of the wares, services or business;
- c. the Registrant registered the domain name in Canada in good faith in association with any wares, services or business and the domain name was understood in Canada to be the generic name thereof in any language;
- d. the Registrant used the domain name in Canada in good faith in association with a non-commercial activity including, without limitation, criticism, review or news reporting;
- e. the domain name comprised the legal name of the Registrant or was a name, surname or other reference by which the Registrant was commonly identified; or
- f. the domain name was the geographical name of the location of the Registrant's non-commercial activity or place of business.

The Complainant has shown through affidavit, plausible allegation, or other evidence annexed to the Complaint that four of the factors in 3.4 do not help Registrant at all: a, d, e, and f. In "a," Complainant has compellingly shown that the Domain Name parrots Complainant's trademark, but the Registrant does not have an interest in that trademark as required by the Policy. The Panel need not reach the issue whether Registrant has used Complainant's mark in good faith. Complainant has also presented unrebutted evidence annexed to the Complaint that Registrant does not have any trademarks within Canada. In "d," Complainant has shown that Registrant is not using the Domain Name in Canada in good faith with a non-commercial activity, as required

by the Policy. If indeed, Registrant were engaged in such non-commercial activity, the Panel would expect it come forth with such a showing; instead, Registrant is silent, which, since the evidence is in its control, is stentorian. The Panel again need not reach the issue whether Registrant is using or used the Domain Name in good faith.

In “e,” Complainant has shown the Domain Name is not the legal name of the Registrant, or a name by which the Registrant is/was commonly identified as required by the Policy. Complainant refers to an annexed email of September 9, 2022, of Registrant’s CEO, Mr. Holomis, who states that the legal name of the Registrant is not the Domain Name and in looking at the historical contracts between the parties, annexed to the Complaint, the Panel notes Registrant has been known as SC Carts during its entire relationship with Complainant. Again, if the facts were at one time different, the Panel would expect Registrant to come forward with such a showing. In “f,” this factor is inapplicable as the Domain Name is not the geographical name of the location of the Registrant’s non-commercial activity or place of business as required by the Policy, which is Vernon, British Columbia.

Factors b and c of Policy 3.4, in short, both relate to the situation where the Registrant registers the Domain Name in good faith and the Domain Name is descriptive of its business or is the generic name of its business. In that case, the Policy states the Registrant has a legitimate interest in the Domain Name. While these factors may hold some promise for Registrant as the Domain Name does appear to have some descriptive nexus with its business, the initial requirement that the Domain Name be registered in good faith presents an insurmountable problem, especially since Registrant has chosen not to respond to explain if it has a “side to the story.” The Panel will discuss Registrant’s bad faith registration findings below and just note here because the Panel finds Registrant registered the domain name in bad faith, Complainant satisfies the second prong of the Policy with its unrebutted evidence and showing.

4.3.3 The Registrant has Registered the Domain Name in Bad Faith.

The Policy lists four examples of bad faith registration in 3.5, but only as examples and specifically states these are not to be a limitation on what is bad faith registration. Complainant contends initially there are two evidentiary points which show Registrant registered the Domain Name in bad faith under Policy 3.5. First, Complainant notes that Mr. Holomis, in his September 9, 2022, email, offered to sell the Domain Name to Complainant and that this would run afoul of 3.5 (a), in that the Domain Name must have been registered primarily for the purpose of selling it back to Complainant or a competitor. Second, as noted above, inasmuch as the Domain Name resolves or redirects to Registrant’s own site for SC Carts, Complaint contends this violates examples (c) (disrupting the business of the Complainant) (and (d) (creating a likelihood of confusion with the Complainant’s Mark as to the source or sponsorship of Registrant’s website or business) of Policy 3.5. Complainant states “[r]egistrant uses the Domain Name to re-direct Internet traffic to the Registrant’s own website where the Registrant sells powered golf carts and light passenger and goods transport vehicles and structural parts therefor in Canada in direct competition with the Complainant who has at least three authorized

dealers in British Columbia.” Complaint, paras 7.3. (a) (ii) (1) and (iii) (1). Notably, as stated above, Complainant states it only learned of the “Registrant’s ownership of the Domain Name on November 26, 2021, when one of its sales reps entered www.clubcar.ca into a browser and realized it resolved to the SC Carts website at <http://www.sc-carts.com>.” Complaint, para 7.3 (a) (i) (1). Complainant has shown no evidence as to whether the Domain Name resolved this way around the time of registration.

The Panel finds Complainant cannot rely on these ex-post examples to show bad faith at the time of registration. The Panel will not determine bad faith retrospectively, rather we should look at the facts and circumstances around the time of registration. Both the Holomis email offering to sell the Domain Name and the discovery of the way the Domain Name resolves to Registrant’s competitive site are several years post dating the time of registration. Cf. the analogous UDRP discussion on bad faith registration in Levine, Domain Name Arbitration, (2d ed. 2019), at p. 265.

As noted by Complainant, the factors set out in Policy 3.5 do not limit the circumstances that can be considered bad faith registration. In this case, this is not a situation in which the registration occurred before Complainant’s trademark right accrued. The WIPO Overview 3.0 at 3.8.1 states, in dealing with the same issue in the UDRP of bad faith registration: “where a respondent registers a domain name before the complainant’s trademark rights accrue, panels will not normally find bad faith on the part of the respondent.” In this case, however, Complainant has shown with its trademark certificates annexed to the Complaint that its Club Car mark had been registered and was in use several decades prior to the Domain Name registration. It is enough for Complainant to show that the Domain Name “was registered with the Complainant and/or its trademark in mind” to prove bad faith registration. (Deamstime.com, LLC v Sapphire Brands, WIPO Case No D2018-1899, dealing the bad faith registration requirement of the UDRP). See also Mehdi Naimi / Sexpositive Shop v. Sheila Abbott / Parksville Qualicum Sexessories (CIRA Decision #482, October 30, 2022).

This, Complainant has done: “Complainant submits that Registrant’s registration of the Domain Name on May 22, 2014, mere days before it entered into the 2014 Non-exclusive Distribution Agreement with the Complainant on July 9, 2014 (see Annex 016), is further evidence of bad faith, as it demonstrates that the Registrant was well aware of the Complainant’s Trademark, and the Complainant’s reputation in Canada, when it registered the Domain Name, and that the Registrant intentionally registered the Domain Name to prevent the Complainant from doing so. Moreover, the Registrant failed to advise the Complainant that it had secured the Domain Name registration.” Complaint, para 7.3 (a) (iv) (2). The Panel finds this unrebutted allegation to be plausible, sensible, and the inference inescapable. Registrant has chosen to be silent, and as noted above, its silence speaks volumes. The time period between registration and the signing a contract with Complainant was a mere six weeks and it strains the Panel’s credulity to think Registrant did not know of Complainant’s reputation and rights in its trademark when it registered the Domain Name. See C&A Veltins GmbH v Heller Highwater, WIPO Case No D2004-0466, an analogous UDRP case the Panel finds to be persuasive precedent on this issue in this case. Compare Green Tyre Company Plc v Shannon Group, WIPO Case No D2005-0877.

Reference is also made to The Rocket Science Group LLC dba Mailchimp v. Mr. Albert S. Bitton, (CIRA Decision #474, January 25, 2022), where the Panel stated: “[o]nly in rare cases will there be direct evidence of a registration in bad faith. In most cases, as case law attests, such a finding is based on ‘common sense inferences from the registrant’s conduct and other surrounding circumstances.’” The Panel in Rocket Science found that by looking at the surrounding circumstances, “the Registrant had actual or constructive knowledge of the Complainant’s rights in the Domain Name at the time of registration; this also supports a finding of bad faith registration.” This case is no different. Only six weeks after registering the Domain Name, the parties entered into the first of several contracts over the next four years where Registrant would be allowed to distribute Club Car vehicles. Complainant’s trademark registrations in Canada, annexed to its Complaint, state that Complainant has used the trademark Club Car in Canada since 1979 in the sale of golf carts and other similar vehicles. It is simply not a plausible inference that Registrant did not know of Complainant’s Canadian marks at the time of registration.

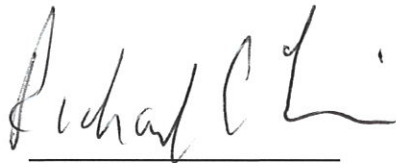
As noted, the Panel makes this inference especially in light of Registrant’s silence and Resolution Rule 11.5. Registrant could have shown up and answered if there was another side of this story to tell. This it failed to do. Accordingly, Complainant satisfies the third prong of the Policy with its unrebutted evidence and showing the registration was made in bad faith.

5. DECISION and ORDER

For the above reasons, in accordance with Paragraph 4 of the Policy, Paragraph 12 of the Resolution Rules, the Panel orders that the Domain Name “clubcar.ca” be transferred to Complainant.

Made as of 4th day of January 2023

SIGNATURE OF PANEL



Richard C. Li

