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Update on Changes at CIRA, for .CA Domain Disputes

Canadian businesses, and non-Canadian businesses that have a Canadian presence, have come to rely on web sites on the .ca domain as a way of marketing products and services to Canadians. To date, access to .ca domain names has been limited by rules adopted by the Canadian Internet Registration Authority ("CIRA") with respect to domain name disputes. For example, owners of trade-marks could succeed in obtaining transfers only where there was evidence of specific kinds of "bad faith" by a registrant. Changes being implemented in the CIRA Domain Name Dispute Resolution Policy ("CDRP") this month will give trade-mark owners new opportunities to obtain transfers of .ca domain names that include or are confusingly similar to their trade-marks.

Following a consultation process launched last June, CIRA's recent announcement¹ of its revised Policy identifies changes that will benefit trade-mark owners considering use of the CDRP:

- **Simplification of Requirements for Complainant's Trade-Mark Rights.** The revised CDRP has removed the previous definitions that limited trade-mark "rights" and "use" and had prevented some trade-mark owners from accessing the CDRP's arbitration process. This change brings the CDRP into line with the Uniform Domain Name Dispute Resolution Policy ("UDRP") that applies to .com and other domain names.
- **Bad Faith (and Legitimate Interest) Factors Non-Exhaustive.** The previous approach, of having a limited list of three "bad faith" factors, resulted in situations where trade-mark owners could not succeed against third-party registrants unless they could show that the registrant had engaged in one of those specific

¹ See: <http://www.cira.ca/legal/cdrp/revised-policy-rules/>

types of bad faith. This exhaustive list included the registration of a domain name primarily for the purpose of selling or otherwise transferring it to the trade-mark owner complainant. While this situation certainly does arise, where a “cyber-squatter” registrant gives notice to the trade-mark owner that the domain name is being offered for sale, there have been many other examples of bad faith that were not enumerated in the previous version of the Policy. In such cases, trade-mark owners could not rely on the CDRP and had to either resort to the more costly and time-consuming route of trade-mark infringement litigation, or resign themselves to the squatter’s use of the domain name. Under the new Policy, specific examples of bad faith are provided, but these are stated to be illustrations only. (The section that identifies “legitimate interest” factors, that a registrant can rely on to maintain a registration, has also been revised to be a non-exhaustive list.)

- **“Commercial Gain” Factor added, to Bad Faith List.** The new CDRP includes, as a new “bad faith” factor, the situation where a registrant is creating a likelihood of confusion with the trade-mark owner’s mark as to the source, sponsorship, affiliation or endorsement of the registrant’s web site or a product or service offered on that site. This factor has been relied upon in the UDRP and it will be a welcome change to have this factor specifically included in the CDRP.
- **Implementation Period Shortened to 30 days.** Previously, trade-mark owners had to wait 60 days after CIRA was notified of a favourable arbitration decision for the transfer of the domain name to be implemented. Shortening this period to 30 days will allow the trade-mark owner to make use of the domain name more quickly.

These changes come into effect on August 22, 2011.

Please address any questions about the changes to the CDRP, or any other domain name matters, to Carol Anne O’Brien at caob@caobrienlaw.com, or (416) 640-7270.

Carol Anne O’Brien’s law practice is focused on regulatory matters including communications law (broadcasting and telecommunications), competition law, advertising and marketing, Internet domain names and privacy.
