



NEWSLETTER

Canadian IT Law Association

www.it-can.ca

This newsletter is prepared by Professors [Teresa Scassa](#), [Chidi Oguamanam](#) and [Stephen Coughlan](#) of the Law and Technology Institute of [Dalhousie Law School](#).

Les auteurs du présent bulletin sont les professeurs [Teresa Scassa](#), [Chidi Oguamanam](#) et [Stephen Coughlan](#) de l'Institut de droit et de technologie de la [Faculté de droit de l'Université de Dalhousie](#).

Domain Names

IN *CASEWARE INTERNATIONAL INC. v. LEE*, SOLE panelist David Lametti considered a dispute over the domain name [caseware.ca](#). The Complainant, which produced and sold an auditing and bookkeeping software package around the world, held the Canadian registered trade-mark CASEWARE for its wares since 1999. It held registrations for the domain name 'caseware' combined with 9 different TLDs. The domain name [caseware.ca](#) had been registered and used by the Complainant for 11 years. At one point due to a variety of factors including staff turnover and error, the domain name registration lapsed. It was subsequently registered by the Registrant, who used it to resolve to a website which sold products in competition with the Complainant. The Registrant did not respond to the complaint.

Lametti found that the trade-mark registration gave the Complainant rights in the mark CASEWARE, and that the disputed domain name [caseware.ca](#) was confusingly similar to that mark. He noted that the fact that the domain name had been used by the Complainant for 11 years previously "further strengthens the link between the registered mark and the domain name." (at para 16) In considering whether the domain name had been registered in bad faith, Lametti referred to the Complainant's statement detailing a phone conversation in which the Registrant indicated that he had other clients who were interested in purchasing the name. Lametti was prepared to infer that these other clients were competitors of Caseware. He also noted that the Registrant used the domain name to resolve to a site offering competing products. He then stated: "it is also fair to infer from the Registrant's apparent

unwillingness to disclose a good faith motive to the Complainant when asked over the telephone, and avoiding a subsequent attempt at telephone contact, that the Registrant was not likely acting in good faith." (at para 22)

Lametti also was prepared to infer that, based on the redirection of the domain name to a site offering competing products, the Registrant had registered the domain name primarily for the purpose of disrupting the business of the Complainant, as set out in para. 3.7(c) of the CDRP.

The CDRP requires the Complainant to provide some evidence that the Registrant had no legitimate interest in the domain name. Lametti accepted a "common sense interpretation of the facts" as the "some evidence" required to shift the burden to the Registrant to establish that he did indeed have a legitimate interest. As the Registrant had not responded to the Complaint, he failed to make out that interest. Lametti ordered the transfer of the domain name registration to the Complainant.

IN *911979 ALBERTA INC. v. HANK MORIN*, SOLE panelist Elizabeth Cuddihy, Q.C. considered a dispute over the domain name [wwwshoppersdrugmart.ca](#). The Complainant is a company incorporated in Alberta, and the owner of several Canadian trade-mark registrations including SHOPPERS DRUG MART and other marks incorporating the same words. The first of these registrations dated back to 1969. It also operates web sites at [www.shoppersdrugmart.ca](#) and [www.shoppersdrugmart.com](#) since 1999. The Registrant, who did not respond to the complaint, used the [wwwshoppersdrugmart.ca](#) domain name to resolve to a site which participated in the Google AdSense revenue program. The web site contained links to a variety of different drug sources, including one link to the Complainant's web site.

Cuddihy applied the test of the "average internet user with an imperfect recollection of the Shoppers Drug Mart mark" (p. 4) to determine that the Registrant's

domain name was confusingly similar. She also noted that “a Registrant may not avoid confusion by appropriating another’s entire mark in a domain name”, (p. 4) and that the characters ‘www’ have no distinguishing capacity in a domain name.

On the issue of bad faith, Cuddihy found that the domain name had been registered primarily to disrupt the business of the Complainant, who is a competitor of the Registrant. She favoured a broad interpretation of this test – one which would include the causing of trade-mark and trade name confusion as a disruption of a Complainant’s business. She noted that the test also required that the Registrant be a competitor of the Complainant. In this case, she found that since the Registrant’s web site contained links to competitors of the Complainant, the test was satisfied. She accepted the position taken *The Standard Life Assurance Company of Canada v. Morin* (a case involving the same Registrant), to the effect that

a reasonable inference is that the Registrant receives compensation for featuring these links on its web site. The Registrant is a joint venturer in selling competing products with the enterprises located at the links on the Registrant’s web site. The Registrant is acting as a competitor of the Complainant for the purposes of Policy paragraph 3.7(c).

Cuddihy was satisfied that the Registrant had no legitimate interest in the domain name and ordered the transfer of the registration to the Complainant.

IN *GLOBE MEDIA INTERNATIONAL CORPORATION V. DAWN Internet Telephony Systems Inc.* a panel of three, chaired by John F. Lee considered a dispute over the domain name for-sale.ca. The Complainant held the domain name registration for www.for-sale.ca, and held a Canadian trademark registration for www.for-sale.ca in association with the services of “hosting a website to permit the advertising of products and services” in exchange for a licensing fee. (p. 2). The domain name was registered in April 2003, and the trade-mark application was filed in April 2003 and formally registered in January of 2005.

The disputed domain name for-sale.ca was registered to Registrant following a transfer from a Mr. Sohail Khan. There had been previous correspondence

between the Complainant and Mr. Khan over the domain name. The Complainant alleged that Mr. Khan transferred the registration to the Registrant to avoid a claim of trade-mark infringement. The Complainant also alleged that Mr. Khan owned the Registrant company, but provided no particulars to support this allegation. There was no evidence that the disputed domain name had been used in connection to any active website prior to the filing of the complaint.

The panel rejected the complaint on the basis that the Complainant failed to establish that the Complainant had rights in the mark prior to the registration of the domain name. They found that the relevant date was the date of first registration of the domain name, in 2000, and not the date on which it was transferred to the Registrant. There was no evidence of use by the Complainant of its mark prior to April of 2003.

[Comment on the issues raised in these decisions at the IT.CAN blog](#)



Impaired Driving – Use of Approved Screening Device

The accused in *R. v. Fuchs 2006 SKPC 71* (Sask. Prov.Ct.) (no hyperlink available) was stopped on suspicion of impaired driving. The officer who stopped her made a demand that she provide a breath sample for an approved screening device, which she failed. The officer then took the accused to the nearby police station, where she was given a breathalyzer test, producing readings of .21 and .20. At issue in the trial were not the breathalyzer results, but the argument that the prior approved screening device test was unreliable and therefore could not have provided a basis for the breathalyzer demand.

The officer had stopped the vehicle at 12:04 a.m. and administered the approved screening device test at 12:16, 12 minutes later. However, the evidence at trial established that the user’s manual for the approved screening device cautioned against taking a test less than 15 minutes after stopping an individual. This time delay was recommended due to the possibility of the individual still having alcohol in his or her mouth, which might result in a falsely high test.

The arresting officer testified that the RCMP did not have a policy of waiting 15 minutes in every case. He testified that the 15 minute delay would only occur where the police officer suspected for some reason that the driver had recently consumed alcohol, such as open liquor in the vehicle or knowledge that the subject of the test had just left a bar. In this case the officer testified that although he concluded that the people in the car had been drinking, he did not believe that there was alcohol in the vehicle, and he had no idea where the car was coming from. In the circumstances the trial judge found that it had not been established on balance of probabilities by the accused that the approved screening device test was inaccurate, and so no *Charter* breach was shown.

[Comment on the issues raised in this case at the IT.CAN blog](#) 

Privacy – Collection of Personal Information by Law Firms

The federal Privacy Commissioner's office has recently dealt with two complaints concerning the [gathering of private information by law firms](#): in each case a credit check performed without the permission of the person whose credit was examined. In each case the firm was not investigating the credit worthiness of one of its own clients, but of someone else. In one case the credit check was made concerning persons suing one of the law firm's clients: the law firm indicated that it sought the information in one case specifically to help decide whether it was worth pursuing a counter-claim. Both firms took the position that *PIPEDA* was not relevant to the situation and that therefore the federal Privacy Commissioner had no jurisdiction to investigate. A number of arguments were made, though all were rejected by the Privacy Commissioners office.

It was argued that the information had been collected for the personal purposes of a client in relation to possible litigation, and therefore was not within the mandate of the Privacy Commissioner. The firm argued that this type of gathering of information did not constitute commercial activity. The Commissioner, however, took the view that the collection of information occurred in the course of the firm's commercial activities: as there was

no general exclusion for the activities of law firms undertaken on behalf of their clients, the collection fell within the jurisdiction of the Commission.

One law firm also argued that the federal Privacy Commissioner Office did not have jurisdiction, on the basis that obtaining a credit report is covered under consumer reporting legislation: it therefore claimed that only the provincial government had jurisdiction to deal with the complaint. The Commissioner's office noted that under *PIPEDA* the Commissioner's office could exercise discretion not to prepare a report of findings if the complaint could more appropriately be dealt with by means of a procedure provided for under the laws of a province. However, in this case the complainant had filed a complaint with the appropriate provincial ministry, which had looked into the complaint and considered the matter closed. In that event the Commissioner's office decided that it could pursue the matter.

The firm investigating a counter-claim also argued that one of the exceptions under *PIPEDA* applied to its facts, permitting it to seek the information without consent: specifically that it was reasonable to expect that collection with consent would compromise the availability or accuracy of the information and the collection was reasonable for purposes related to investigating a breach of an agreement or a contravention of the laws of Canada or a province. The Commissioner's office, however, held that this exception did not apply. The firm had not adequately proven that there was a concern over the investigation being thwarted, and in any case investigating whether a counter claim was worthwhile did not constitute investigating a breach of an agreement or a contravention of a law of Canada or a province.

In each case the credit bureau decided that the law firm had not followed its obligations as a member by obtaining the information without consent, and the firm's membership privileges were revoked. Both firms also initially refused to accept the Privacy Commissioner's findings and recommendations, but ultimately agreed to do so before the matter was taken to Federal Court.

[Comment on the issues raised in this case at IT.CAN blog](#) 

Privacy – Temporal Applicability Of *PIPEDA*

A [settled case](#) from the federal Privacy Commissioner demonstrates the applicability of the *Personal Information Protection and Electronic Documents Act*. An individual had written to a business requesting his personal information and its privacy policy. The business had sent him some of his personal information, but replied that they were not required to give him any of his information prior to January 1, 2004, the date the business became subject to *PIPEDA*. The business was eventually persuaded that this interpretation was not correct, and delivered the remainder of the information to the individual. It did not deliver a copy of its privacy policy which, on investigation by the Privacy Commissioner, it transpired did not exist. The business subsequently drafted a privacy policy and delivered a copy to the individual.

This newsletter is intended to keep members of IT.Can informed about Canadian legal developments as well as about international developments that may have an impact on Canada. It will also be a vehicle for the Executive and Board of Directors of the Association to keep you informed of Association news such as upcoming conferences.

If you have comments or suggestions about this newsletter, please contact Professors Teresa Scassa, Chidi Oguamanam and Stephen Coughlan at it.law@dal.ca.

Disclaimer: The IT.Can Newsletter is intended to provide readers with notice of certain new developments and issues of legal significance. It is not intended to be a complete statement of the law, nor is it intended to provide legal advice. No person should act or rely upon the information in the IT.Can Newsletter without seeking specific legal advice.

Copyright 2006 by Teresa Scassa, Chidi Oguamanam and Stephen Coughlan. Members of IT.Can may circulate this newsletter within their organizations. All other copying, reposting or republishing of this newsletter, in whole or in part, electronically or in print, is prohibited without express written permission.

Le présent bulletin se veut un outil d'information à l'intention des membres d'IT.Can qui souhaitent être renseignés sur les développements du droit canadien et du droit international qui pourraient avoir une incidence sur le Canada. Le comité exécutif et le conseil d'administration de l'Association s'en serviront également pour vous tenir au courant des nouvelles concernant l'Association, telles que les conférences à venir.

Pour tous commentaires ou toutes suggestions concernant le présent bulletin, veuillez communiquer avec les professeurs Teresa Scassa, Chidi Oguamanam et Stephen Coughlan à l'adresse suivante : it.law@dal.ca

Avertissement : Le Bulletin IT.Can vise à informer les lecteurs au sujet de récents développements et de certaines questions à portée juridique. Il ne se veut pas un exposé complet de la loi et n'est pas destiné à donner des conseils juridiques. Nul ne devrait donner suite ou se fier aux renseignements figurant dans le Bulletin IT.Can sans avoir consulté au préalable un conseiller juridique.

© Teresa Scassa, Chidi Oguamanam et Stephen Coughlan, 2006. Les membres d'IT.Can ont l'autorisation de distribuer ce bulletin au sein de leur organisation. Il est autrement interdit de le copier ou de l'afficher ou de le publier de nouveau, en tout ou en partie, en format électronique ou papier, sans en avoir obtenu par écrit l'autorisation expresse.