



CANADIAN INTERNATIONAL INTERNET DISPUTE RESOLUTION CENTRE
DOMAIN NAME DISPUTE
ADMINISTRATIVE PANEL
DECISION

CIIDRC case number:	20348-UDRP	Decision date: April 4, 2023
Domain Name:	paragonsecurity.com	
Panel:	Peter Müller (Chair), Zak Muscovitch, Michael Erdle	
Complainant:	Paragon Protection Ltd.	
Complainant's representative:	Robert Nakano of Gardiner Roberts LLP	
Respondent:	Webhosting Department/ Candev Systems Inc.	
Respondent's representative	Paul Lomic of Lomic Law	

1. PROCEDURAL HISTORY

The procedural history of this case was set out in a letter from the Canadian International Internet Dispute Resolution Centre to the Panel:

1. On February 13, 2023, the above-named Complainant filed a Complaint pursuant to the UDRP and the UDRP Rules. The identity of the Registrant is not published in the public WHOIS database; therefore, the Registrant's name was not included in the Complaint.
2. On February 13, 2023, the Registrar of the Domain Name was notified of this proceeding, and on February 14, 2023, CIIDRC received a lock confirmation and was advised of the Registrant's information.
3. On February 14, 2023, CIIDRC, confirmed compliance of the Complaint and commencement of the administrative dispute resolution proceeding.
4. Also on February 14, 2023, CIIDRC notified the Respondent of this administrative proceeding and forwarded a Notice of Commencement with the Complaint to the Respondent via email.

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5. On February 24, 2023, the Respondent's counsel contacted CIIDRC via email requesting a four (4) day extension to file a Response, as permitted by Rule 5(b). The Respondent's new deadline for responding was set for March 10, 2023.
6. On March 10, 2023, counsel for the Respondent filed the Respondent's Response.
7. On March 21, 2023, the Complainant's counsel filed a supplemental submission of the Complainant.
8. On the same day, March 21, 2023, counsel for the Respondent contacted CIIDRC requesting "10 days to file a response as to why the Complainant's submissions are improper and leave to file its own responding Supplemental Submissions." CIIDRC acknowledged receipt of the Respondent's email regarding the supplemental submissions of the Complainant and advised the parties that it will be at the discretion of the appointed Panel to decide whether the additional materials are admissible and whether it is appropriate to provide the Respondent with additional time to file its response.
9. The Complainant and the Respondent in this administrative proceeding have elected for a Panel consisting of a three-members.
10. On March 24, 2023, CIIDRC appointed Peter Müller, as Presiding Panelist, and Michael Erdle and Zak Muscovitch as Panelists in the above-referenced matter. Each of them accepted the appointment.
11. The Panel finds that it is properly constituted and has submitted the Statement of Acceptance and Declaration of Impartiality and Independence, as required by CIIDRC to ensure compliance with the UDRP.

The Domain Name was registered on November 14, 2001.

This matter is conducted pursuant to the Uniform Domain Name Dispute Resolution Policy (the Policy) and the Rules for Uniform Domain Name Dispute Resolution Policy (the Rules) of the Internet Corporation for Assigned Names and Numbers (ICANN).

2. PARTIES' SUPPLEMENTAL SUBMISSION

The first point to be dealt with is the admissibility of the Complainant's supplemental submission and the Respondent's request to file a reply.

The Rules do not allow the parties to file supplemental submissions on their own volition, and paragraph 12 of the Rules provides that a panel may in its sole discretion request further statements or documents from either of the parties. Thus, no party has the right to insist upon the admission of additional arguments or evidence. Grounds justifying new submissions are generally those regarding the existence of new pertinent facts that did not arise until after the complaint was filed.

In the present case, from the Panel's perspective, the Complainant's purported supplemental submission is mainly comprised of a rebuttal of the Respondent's submission, which is generally not permitted under the

Policy and associated case law. See *J.P.Morgan v. Resource Marketing*, D2000-0035 (WIPO Mar. 23, 2000). The Complainant has not argued that any “exceptional circumstances” exist which would support such an additional filing. See *Viacom v. Rattan Singh Mahon*, D2000-1440 (WIPO Dec. 22, 2010). Nevertheless, it is at least arguable that the Respondent’s contentions that “PARAGON SECURITY” is a descriptive term, could not have reasonably been anticipated by the Complainant, and therefore the Panel has exercised its discretion and determined to allow the Complainant’s supplemental submission.

The Panel, however, did not find it necessary to ask the Respondent for further submissions.

3. FACTS ALLEGED BY THE PARTIES

The Complainant, Paragon Protection Ltd., is an Ontario corporation that has been providing various commercial and residential security services to Canadian clients since 1976. It has been sharing information about its services online at "paragonsecurity.ca" since 2006. The Complainant registered the Ontario business name “PARAGON SECURITY” in June 2007 and has provided security services under that tradename. The Complainant also has a subsidiary called PARAGON SECURITY LTD., which is also an Ontario corporation. On November 25, 2022, the Complainant filed a Canadian trademark application for PARAGON SECURITY, which is associated with its security services.

The Respondent is a Canadian company that offers services related to websites, mobile apps, and management systems.

The Domain Name was first registered on November 14, 2001. The parties have provided the Panel with no evidence whether the current registrant was the initial registrant or whether they acquired the domain name sometime after 2006.

The Complainant provided evidence that the Domain Name has been used for multiple websites since October 2022. These websites include one that forwarded Internet users to one of the Complainant's competitors and two that provided articles related to the Complainant. The Complainant sent two cease and desist letters to the competitor to whom the website at the Domain Name was initially forwarded in October 2022.

4. CONTENTIONS OF THE PARTIES

4.1 Complainant

The Complainant contends that it has been using PARAGON SECURITY as a trademark and business name for its security services since around June 14, 2006, and relies on common law trademark rights in PARAGON SECURITY. In this context, the Complainant states that it has established significant and enforceable common law rights in and to the PARAGON SECURITY trademarks through over sixteen years of extensive and continuous use. It further states that the PARAGON SECURITY trademarks have achieved substantial goodwill. The Complainant argues that the Domain Name is identical or virtually identical to the Complainant's PARAGON SECURITY trademark.

The Complainant further states that the Respondent has no rights or legitimate interests in the Domain Name. In this regard, the Complainant argues that the Respondent's different uses of the Domain Name, i.e., redirecting the domain name to the website of a competitor of the Complainant and using it to post news articles, including "selective, unflattering news articles relating to Complainant", do not lead to rights or legitimate interests under the Policy on the part of the Respondent. In this context, the Complainant particularly points out that the Respondent's news websites did not contain legitimate criticism and commentary and made no indication that they are legitimate criticism websites. Rather, they concealed such purpose with the specific goal of misleading users to that website under a mistaken belief that it is affiliated with the Complainant.

Finally, the Complainant states that the Domain Name was registered and is being used in bad faith. The Complainant contends that the previous use of the Domain Name to redirect internet traffic to a competitor's website was clearly for the purpose of disrupting the business of the Complainant and attempting to attract Internet users to its website. Furthermore, the Complainant argues that further use of the Domain Name in connection with news websites has been and is clearly for the purpose of disrupting the business of the Complainant and attempting to attract Internet users to the Respondent's website by creating a likelihood of confusion with the Complainant's PARAGON SECURITY trademarks as to the source, affiliation, or endorsement of the Respondent's site. In this context, the Complainant also stated that it noted "that by no later than October 2022, the Respondent became the registrant and/or had control of the associated website, which is well after the Complainant's established rights in its PARAGON SECURITY Trademarks."

4.2 Respondent

The Respondent argues that the Complainant, by its own admission, does not have a trademark registration for PARAGON SECURITY but only a recent trademark application. The Respondent states that the Complainant's trademark application in PARAGON SECURITY is not sufficient to establish trademark rights. In addition, the Respondent contends that the Complainant lacks common law rights in PARAGON SECURITY as it has not provided the evidence of trademark rights which are required under UDRP. In this context, the Respondent also points to the fact that the Complainant's registration of the domain name <paragonsecurity.ca> is not sufficient to establish common law trademark rights as domain names are not in themselves protected by trademark law.

Furthermore, the Respondent argues that PARAGON SECURITY is a descriptive mark, which essentially means GOOD SECURITY or EXCELLENT SECURITY, and as such there is a heightened standard for the common law evidence to establish trademark rights that the Complainant has simply not provided.

The Respondent also states that it has made a legitimate use of the Domain Name and has not acted in bad faith. It argues that it legitimately provided a security news website with a Canadian and international focus, which is not being monetized. Regarding the use of the disputed domain name to forward Internet users to a website of one of the Complainant's competitors, the Respondent argues that such use was "a natural and bona fide use of the Domain Name," given that the Domain Name is a commonly used term in the worldwide

security industry and is used descriptively for security services. The Respondent further argues that the Complainant has not denied the truth of unflattering articles that appeared on the website associated with the Domain Name.

4.3 Remedy Sought

The Complainant requests the Domain Name be transferred to it. The Respondent requests that the Complaint should be denied.

5. DISCUSSION AND FINDINGS

5.1 Requirements

In accordance with Paragraph 4 of the Policy, the onus is on the Complainant to prove:

1. That the Domain Name is Identical or Confusingly Similar to a trademark or service mark in which the Complainant has rights;
2. That the Registrant has no rights or legitimate interests in the Domain Name; and
3. That the Domain Name has been registered and is being used in bad faith.

The Panel will consider each of these requirements in turn.

5.2 Analysis

5.2.1 That the Domain Name is Identical or Confusingly Similar to a Mark in which the Complainant has Rights

The inquiry under the first element is in two parts. The first issue is whether the Complainant has UDRP-relevant rights in a trademark and the second is whether any such trademark is identical or confusingly similar to the disputed domain name. Failure on either of the two issues would result in a failure to meet the requirements of Paragraph 4(a)(i) of the Policy and ultimately in failure of the Complaint.

The Complainant provided evidence that it applied for a Canadian trademark on November 25, 2022. However, the trademark is not registered. Generally, a pending trademark application does not by itself establish trademark rights within the meaning of paragraph 4(a)(i) of the Policy, unless such application has proceeded to grant. See *Intellect Design Arena Limited v. Moniker Privacy Services / David Wieland, iEstates.com, LLC*, D2016-1349 (WIPO Aug. 29, 2016) with further references; section 1.1.4 of the WIPO Overview 3.0.

The Panel therefore needs to consider whether the Complainant owns unregistered or common law trademark rights in the term "PARAGON SECURITY". Section 1.3 of the WIPO Overview 3.0 provides the following consensus view of what needs to be shown by a complainant in this regard: "To establish unregistered or common law trademark rights for purposes of the UDRP, the complainant must show that its mark has become

a distinctive identifier which consumers associate with the complainant's goods and/or services. Relevant evidence demonstrating such acquired distinctiveness (also referred to as secondary meaning) includes a range of factors such as (i) the duration and nature of use of the mark, (ii) the amount of sales under the mark, (iii) the nature and extent of advertising using the mark, (iv) the degree of actual public (e.g., consumer, industry, media) recognition, and (v) consumer surveys. [...] Specific evidence supporting assertions of acquired distinctiveness should be included in the complaint; conclusory allegations of unregistered or common law rights, even if undisputed in the particular UDRP case, would not normally suffice to show secondary meaning. [...] As noted in section 1.1.2, for a number of reasons, including the global nature of the Internet and Domain Name System, the fact that secondary meaning may only exist in a particular geographical area or market niche does not preclude the complainant from establishing trademark rights (and as a result, standing) under the UDRP." In *Chandler Horsley v. Fundacion Private Whois*, FA2107001954070 (Forum Jun. 12, 2023), the Panel expressly stated the following:

"Common law rights must be proven by strong and serious evidence of constant use and recognition from the objective customers of the goods or services [...] Awarding common law rights to any expression to ultimately granting the same status of either a trademark or service mark without proper evidence, would be improper behavior of this Panel and also very unjust [...]"

The Complainant has not provided any further evidence, apart from the assertion that, through "more than sixteen (16) years of extensive and continuous use of the PARAGON SECURITY Trademarks by Complainant, Complainant has established significant and enforceable common law rights in and to the PARAGON SECURITY trademark," and the statement that its PARAGON SECURITY trademark "has achieved substantial goodwill." The only other evidence provided by the Complainant consists of excerpts from the Company Register of the Province of Ontario, which show the registration of the company PARAGON SECURITY LTD. and the business name PARAGON SECURITY. However, these registrations, in themselves, do not confer rights under the Policy. See *G. Bellentani 1821 S.p.A. v. Filoramo*, D2003-0783 (WIPO Nov. 21, 2003); see also *Paris Jewellers Ltd. v. NAME ADMINISTRATION INC. (BVI)*, FA 1573085 (Forum Sept. 12, 2014).

Even though the Respondent expressly denied the existence of common law rights in its Response, the Complainant has not made any claim of secondary meaning of its company name, and no evidence has been presented to the Panel in support of such a claim. No such evidence was provided in the Complainant's supplemental submission. There is no evidence to demonstrate that *the public perceives* the alleged mark as a trademark of the Complainant. The excerpted printout of the Complainant's website submitted as an attachment to one of the sworn statements is also insufficient, as it only constitutes party submissions and not supporting assertions of acquired distinctiveness. Moreover, it too fails to demonstrate public perceptions absent any evidence of traffic or viewership of the website.

The Panel therefore cannot but find that, on the record before it in these proceedings the Complainant failed to establish the first element of the Policy.

5.2.2 Bad faith registration; Legitimate Interest

In light of the Panel’s decision with respect to the first element of Paragraph 4 of the Policy, the Panel does not find it necessary to make any determination with respect to the issues of whether the Respondent has a legitimate interest in the Domain Name or whether the Respondent registered or used the Domain Name in bad faith.

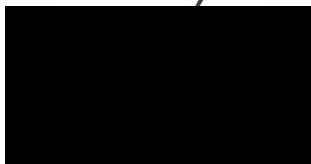
However, the Panel notes that the Domain Name was initially registered on November 14, 2001. In its submissions, the Complainant does not claim any trademark rights prior to 2006. In this context, there is no evidence before the Panel with respect to when the Respondent acquired the domain name, either at the time of initial registration or at some later date. The Complainant simply stated that “by no later than October 2022, Respondent became the registrant and / or had control of the associated website, which is well after Complainant’s established rights in its PARAGON SECURITY Trademarks.”

6. DECISION and ORDER

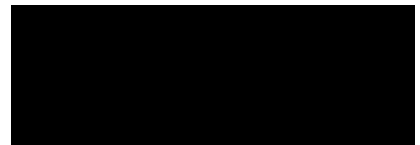
For the above reasons, in accordance with Paragraph 4 of the Policy, Paragraph 15 of the Rules, and Rule 10 of the Supplemental Rules, the Complaint is denied.

Made as of April 4, 2023

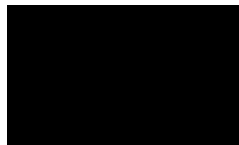
SIGNATURE OF PANEL



Michael Erdle



Peter Müller (Chair)



Zak Muscovitch

