Panel Decision for dispute CAC-ADREU-007565

Case number	CAC-ADREU-007565
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Domain names	vendome-distribution.eu

Case administrator

	Aneta Jelenová (Case admin)

Complainant

Organization	SOCIETE VENDOME DISTRIBUTION SOVENDIS

Respondent

Organization	Vendome Distribution

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

The Panel is not aware of any other legal proceedings relating to the disputed domain name.

FACTUAL BACKGROUND

The Complainant is a French company, part of the E. Leclerc Group, which operates a chain of European supermarkets and hypermarkets. The Complainant operates an “E. Leclerc” branded hypermarket at 74 Bis/76 Rue de Courtiras, 41100 Vendôme, France. The Complainant was incorporated on 10 April, 1973 under the name SOCIETE VENDOME DISTRIBUTION SOVENDIS and produces the relative extract of its registration from the French Principal Register of Trade and Companies (SIREN 597320548).

Little is known regarding the Respondent. The Domain Name was created on 30 March 2017 in the name of Alain Beck with the following details: Organisation: Vendome Distribution, Address: 185 Rue de Bercy 75012, Paris, France. The organisation name “Vendome Distribution” partially matches that of the Complainant while the listed address matches the address of a French company named ACMI, whose Chief Executive is named Alain Beck.

Having identified the Domain Name, the Complainant says that its Chief Executive contacted Alain Beck of ACMI by telephone and was advised by him that he had not registered the Domain Name and that his identity had been misused in the registrant details.

Between May and August 2017 some of the Complainant’s partners and suppliers received emails from an email address using the domain name <vendome-distribution.fr> containing false purchase orders bearing to be from the Complainant and its Chief Executive. The Complainant enquired with the French domain name registry AFNIC as to who had registered <vendome-distribution.fr>. The registration details supplied by AFNIC showed that the registrant had supplied the details of the Complainant and its Chief Executive in making the registration, together with a contact email address using the Domain Name. The domain name <vendome-distribution.fr> had been registered less than a month after the Domain Name.

The Complainant’s Chief Executive made a formal declaration and filed an identity theft complaint with the relevant French authorities in June and August 2017 respectively and subsequently requested AFNIC to delete <vendome-distribution.fr>, which was duly done on 7 September 2017. Further declarations were made by other members of the Complainant’s staff in June and August 2017 regarding multiple fraudulent attempts to order items in the name and with the identity of the Complainant using the domain name <vendome-distribution.fr>.

The Complaint was filed on 3 October 2017. The Czech Arbitration Court acknowledged receipt of the Complaint and issued a Request for EURid Verification for the Domain Name on 6 October 2017. On 6 October 2017, EURid replied in a non-standard communication confirming that the Domain Name <vendome-distribution.eu> was registered with Sibername.com Inc, that the current Registrant of the

Domain Name was the Respondent, that the Domain Name would remain locked during the pending ADR Proceeding and that the specific language of the registration agreement as used by the Registrant for the Domain Name was English. It also provided the full details from the WHOIS database for the registrant and registrar technical contacts.

On 12 October 2017, the Czech Arbitration Court conducted a formal compliance review in respect of the Complaint and found it to be in compliance. Accordingly, the formal date of commencement of the ADR Proceeding was 12 October 2017 and a Notification of Complaint and Commencement of ADR Proceeding was issued to the Respondent on that date. This stated that a Response was to be submitted within 30 working days. On 24 October 2017, the Czech Arbitration Court filed a nonstandard communication noting that the Respondent had not logged on to the online platform within 5 days of its sending notice of the ADR Proceeding by email and that notice of the ADR Proceeding had therefore been sent to the Respondent by post on 18 October 2017. No formal Response was filed and on 13 December 2017 the Czech Arbitration Court issued the Notification of Respondent's Default. This stated, inter alia, that the Czech Arbitration Court would proceed to appoint an ADR Panel, that the Panel and the Complainant would be informed of the Respondent's default and that the ADR Panel would decide in its sole discretion whether or not to consider the Respondent's defective Response (if submitted). It also stated that the Respondent had a right to challenge the said Notification within a period of 5 days. The Respondent did not challenge the said Notification within the appointed period.

Following an invitation to serve on the Panel in this dispute, the Panel accepted the mandate and submitted the Declaration of Impartiality and Independence in due time. The Czech Arbitration Court duly notified the parties of the identity of the appointed Panel on 22 December 2017, in accordance with paragraph B4(e) of the .eu Alternative Dispute Resolution Rules ("ADR Rules") and the date by which a decision on the matter was due, which was specified as 17 January 2018.

In the absence of a challenge to the Panel's appointment by either Party according to Paragraph B5(c) of the ADR Rules, the Czech Arbitration Court transmitted the case file to the Panel on 27 December 2017.

A. COMPLAINANT

The Complainant seeks a decision transferring the Domain Name to the Complainant.

The Complainant asserts that the Domain Name is identical or confusingly similar to its company name "SOCIETE VENDOME DISTRIBUTION SOVENDIS" in which it has owned rights under national law since 1973. The Complainant submits that the Respondent has no rights or legitimate interest in the Domain Name and that the Domain Name has been registered and/or is being used in bad faith.

The Complainant asserts that in French law, rights in company names are recognized by the case law of the French Courts, citing various authorities. The Complainant also submits that where the rights in a company name exist prior to the first effective exploitation of a website associated with a domain name, the case law of the French Courts recognizes that the reproduction of a company name within that domain name constitutes a manifestly unlawful disturbance. The Complainant adds that Article L. 711-4 of the French Intellectual Property Code states that no sign which infringes prior rights shall be adopted as a trademark and, in particular, that a company or corporate name shall not be adopted as a trademark if there exists a risk of confusion in the mind of the public. The Complainant argues that such prior rights can be used against the registration of a trademark and that this is all the more true against the registration of a domain name.

The Complainant contends that the Domain Name identically reproduces the essential distinguishing features of the Complainant's company name, namely "VENDOME DISTRIBUTION". The Complainant adds that the additional presence of "SOCIETE" and "SOVENDIS" in its company name do not distinguish the Domain Name from such company name because "SOCIETE" means "company" in French and, as such, is devoid of any distinctive character, and "SOVENDIS" is merely the abbreviation of the Complainant's company name in the form "SOCIETE" abbreviated to "SO", "VENDOME" abbreviated to "VEN" and "DISTRIBUTION" abbreviated to "DIS".

The Complainant submits that the registration of the Domain Name was not authorized by the Complainant and that there is no business relationship or any link of any kind between the Complainant and the Respondent. The Complainant submits that the Domain Name has been registered with false details obtained by identity misuse. The Complainant asserts that the Domain Name is neither used in connection with a bona fide offering of goods or services nor constitutes a legitimate non-commercial or fair use. The Complainant contends that the Domain Name is linked to fraudulent and deceptive activities performed under the <vendome-distribution.fr> domain name and was registered by the same person with no rights or legitimate interest therein.

The Complainant states that the misused registration details assigned to the Domain Name demonstrate that the true registrant must have been aware of the existence of the Complainant and its activities and that as the Domain Name has been used for illicit purposes in connection with fraudulent activities it was registered and used in bad faith with the sole purpose of disturbing the Complainant's business and harming its image.

B. RESPONDENT

The Respondent did not file a Response to the Complaint.

DISCUSSION AND FINDINGS

1. Preliminary - No Response

The Respondent has not filed a Response to the Complaint. In such an eventuality, the effect of the provisions of Article 22(10) of Commission Regulation (EC) No 874/2004 (“Regulation 874”) and Paragraph B10(a) of the ADR Rules is that the failure may be considered by the Panel as grounds to accept the claims of the Complainant. However, this does not mean a Complaint will automatically be upheld whenever a Respondent fails to respond; the Complainant is still required to demonstrate that the provisions of Article 21(1) of Regulation 874 and Paragraph B11(d)(1) of the ADR Rules are satisfied.

2. Applicable provisions

This Complaint is brought under the auspices of Regulation (EC) 874/2004 (“Regulation 874”) and the ADR Rules. Article 22(1)(a) of Regulation 874 allows any party to initiate an ADR procedure where the registration is speculative or abusive within the meaning of Article 21.

Article 21(1) states that a registered domain name may be subject to revocation where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or EU law, such as the rights mentioned in Article 10(1), and where it:

(a) has been registered by its holder without rights or legitimate interest in the name; or

(b) has been registered or is being used in bad faith.

Article 21(2) provides examples whereby the Respondent's legitimate interest may be demonstrated (echoed in Paragraph B11(e) of the ADR Rules), while Article 21(3) provides examples whereby bad faith may be demonstrated (similarly echoed in Paragraph B11(f) of the ADR Rules).

Article 10(1) states that:

"[…]

'Prior rights' shall be understood to include, inter alia, registered national and community trademarks, geographical indications or designations of origin, and, in as far as they are protected under national law in the Member-State where they are held: unregistered trademarks, trade names, business identifiers, company names, family names, and distinctive titles of protected literary and artistic works."

Article 22(11) states that in the case of a procedure against a domain name holder, the ADR panel shall decide that the domain name shall be revoked, if it finds that the registration is speculative or abusive as defined in Article 21. Furthermore, the domain name is to be transferred to the complainant if the complainant applies for it and satisfies the general eligibility criteria set out in Article 4(2)(b) of Regulation (EC) No 733/2002 (“Regulation 733”).

Article 4(2)(b) of Regulation 733 provides the following general eligibility criteria:

(i) undertaking having its registered office, central administration or principal place of business within the EU, or

(ii) organisation established within the EU without prejudice to the application of national law, or

(iii) natural person resident within the EU.

Paragraph B11(d)(1) of the ADR Rules provides as follows:-

"The Panel shall issue a decision granting the remedies requested under the Procedural Rules in the event that the Complainant proves

(1) in ADR Proceedings where the Respondent is the holder of a .eu domain name registration in respect of which the Complaint was initiated that

(i) The domain name is identical or confusingly similar to a name in respect of which a right is recognized or established by the national law of a Member State and/or Community law and; either

(ii) The domain name has been registered by the Respondent without rights or legitimate interest in the name; or

(iii) The domain name has been registered or is being used in bad faith."

It is clear from the applicable provisions that the burden of proving that the .eu domain name registration in question is speculative or abusive lies with the Complainant. Accordingly, the first question for the Panel in the present case is whether the Complainant has proved that the Domain Name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or EU law.

3. Rights - identical or confusingly similar

Article 21(1) of Regulation 874 requires that the Domain Name be identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or EU law. The Complainant submits that its company name is protected under national law, specifically French Law in the context of case law and under Article 711-4(b) of the French Intellectual Property Code. The Panel refers to section II paragraph 8 of the Selected Questions of the Alternative Dispute Resolution for .EU Domain Name Disputes, 2nd Edition ("CAC .EU Overview 2.0") which is entitled "Can a complainant have a relevant right from a company name?" and which provides that company names are formally listed as relevant rights and have therefore been accepted by panels as such in ADR procedures, adding that one panel has accepted part of a company name as a relevant right as long as it was protected by national law.

In addition to the observation in the CAC .EU Overview 2.0, the Panel notes that rights claimed in a French company name under the same legislation quoted by the Complainant in the present case have been recognized as a valid prior right in a previous ADR procedure, namely ADLPartner v. DBK, CAC Case No. 07374 (3 March 2017). In that case, the submission was accompanied by evidence of the registration of the name concerned in the relevant French register and a demonstration of the strength of the company's position on the French market in the relevant field such that the Panel considered that the third party use of such name in a domain name could lead to a risk of confusion for the public.

In the present case, the Complainant has produced a copy of its certificate of registration in the French Principal Register of Trade and Companies confirming that its company name is SOCIETE VENDOME DISTRIBUTION SOVENDIS and that it has used this name since 10 April 1973, in other words, for more than 44 years. The Complainant also produces evidence of the extent of its hypermarket activities under the name concerned via the website of its parent company. These indicate to the Panel's satisfaction that the Complainant has a sufficient position on the French market in the field of hypermarkets under the relevant name that the use of an identical or confusingly similar name by a third party in a domain name creates a risk of confusion for the public. In these circumstances, and in light of the applicable national law cited by the Complainant, the Panel finds that the Complainant's corporate name is a name in respect of which a right is recognized or established by the national law of a Member State for the purposes of Article 21(1) of Regulation 874.

Turning to a comparison between the Complainant's company name and the Domain Name, the Panel accepts that the words SOCIETE and SOVENDIS are of less significance to the Complainant's company name than the more dominant part VENDOME DISTRIBUTION on the basis of the uncontested explanation supplied by the Complainant. The Panel also accepts the Complainant's submission that such dominant part of the Complainant's name is reproduced identically in the Domain Name bearing in mind that the substitution of the hyphen for the space between the two words in the company name and the addition of the top level domain ".eu" are each insignificant to the assessment of confusing similarity because these are both required in the Domain Name purely for technical reasons.

In all of these circumstances, the Panel finds that the Domain Name is confusingly similar to a name in respect of which a right is recognised by EU law in accordance with Article 21(1) of Regulation 874 and paragraph B11(d)(1)(i) of the ADR Rules.

4. Respondent's Rights or Legitimate Interest

Article 21(2) of Regulation 874 and paragraph B11(e) of the ADR Rules provide non-exhaustive examples of how a respondent may demonstrate a legitimate interest. These may be summarised as where (a) prior to notice of the dispute the respondent has used (or made demonstrable preparations to use) the domain name in connection with the offering of goods or services; (b) the respondent has been commonly known by the domain name; or (c) the respondent is making a legitimate, non-commercial or fair use of the domain

name without the intention to mislead consumers or to harm the reputation of a name in which there are rights under national or EU law.

In the Panel's opinion, the Complainant has made out a prima facie case that the Respondent has no rights or legitimate interest in the Domain Name based on its submissions that the registration of the Domain Name was not authorized by the Complainant, that there is no business relationship or any link of any kind between the Complainant and the Respondent, that the Domain Name has been registered with false details obtained by identity misuse and that the Domain Name is neither used in connection with a bona fide offering of goods or services nor constitutes a legitimate non-commercial or fair use as it is linked to fraudulent and deceptive activities.

The Respondent has failed to answer the Complainant's serious allegations that the Domain Name has been registered and used in connection with fraudulent purposes, and has therefore offered no explanation of any alleged rights or legitimate interest in terms of Article 21(2) of Regulation 874 and paragraph B11(e) of the ADR Rules. The Panel finds nothing on the present record which might give rise to a convincing case in respect of rights or legitimate interest which the Respondent might have offered, whether under those provisions or otherwise and, on the contrary, notes that substantial evidence has been provided by the Complainant both by way of formal declarations and copy emails which is supportive of its case that the Domain Name has been used as part of a scheme involving fraudulent activity targeting the Complainant's company. In the Panel's opinion, such activity cannot confer any rights or legitimate interest upon the Respondent.

Accordingly, the Panel finds that there are no circumstances corresponding to those in Article 21(2) of Regulation 874 and paragraph B11(e) of the ADR Rules nor any other facts or circumstances in the present case which are suggestive of any notion that the Respondent might have any rights or legitimate interest in the Domain Name. The Panel finds that the Respondent has failed to rebut the Complainant's prima facie case. The Domain Name registration is therefore speculative or abusive, and should be subject to revocation under Article 21(1)(a) of Regulation 874 and in accordance with paragraph B11(d)(1)(ii) of the ADR Rules. It is not strictly necessary for the Panel to consider whether the Domain Name is also subject to revocation under Art 21(1)(b) of Regulation 874 and the corresponding paragraph B11(d)(1)(iii) of the ADR Rules (which require a finding that the Domain Name has been registered or is being used in bad faith). However, for completeness, the Panel will consider this issue.

5. Registration or use in bad faith

The issue of bad faith is expressed in Article 21(1)(b) of Regulation 874 and paragraph B11(d)(1)(iii) of the ADR Rules as an alternative to a lack of rights or legitimate interest which may be proved by the Complainant. Registration or use in bad faith may be proved by the Complainant. Article 21(3)(a) to (e) and the corresponding paragraph B11(f)(1) to (5) of the ADR Rules provide non-exhaustive examples which may be evidence of bad faith registration or use.

In the present case, the Complainant submits that the Domain Name has been used as part of an alleged fraudulent scheme whereby various individuals' identities and the Complainants' corporate persona have been employed to deceive the Complainant's partners and suppliers. The Complainant provides evidence indicating that the Domain Name was supplied as a contact email address associated with a domain name used to send emails containing false purchase orders bearing to be from the Complainant and its Chief Executive.

An allegation that a domain name has been used in connection with fraudulent activities is of a serious nature and, in the opinion of this Panel, requires to be supported with compelling evidence. The Panel considers that the evidence supplied by the Complainant in this case consisting of formal declarations and reports together with its correspondence with AFNIC and a copy of the email sent to the Complainant's partners is sufficient to satisfy that criterion, noting also that evidence of a similar nature was accepted by the panel in ADLPartner v. DBK, CAC Case No. 07374 (3 March 2017) in which an analogous email scheme was alleged. The Complainant's evidence indicates that emails which relied upon a domain name demonstrably related to the Domain Name were used to impersonate the Complainant and the Complainant's Chief Executive in an apparently fraudulent attempt to obtain goods and services from the Complainant's partners. The Domain Name was thus registered in the knowledge of the Complainant and its rights in its company name and with intent to target these. After registration, the Domain Name was employed in connection with the apparently fraudulent purpose in circumstances which could only be described as paradigmatic bad faith use. This demonstrates to the Panel's satisfaction that the Domain Name has both been registered and used in bad faith.

The severity of the Complainant's allegations and compelling nature of its evidence call for a rebuttal or alternative explanation from the Respondent which is notably lacking in this case. The absence of any such rebuttal or explanation on the Respondent's part fortifies the Panel in its opinion that the Domain Name was registered and used in bad faith.

In all of these circumstances, the Panel finds that the Domain Name has been registered and is being used in bad faith in accordance with Article 21(1)(b) of Regulation 874 and paragraph B11(d)(1)(iii) of the ADR Rules.

Since the Complainant is an entity eligible to be the holder of a .eu domain name in accordance with Article 4(2)(b)(i) of Regulation 733/2002 (being an undertaking having its registered office, central administration or principal place of business within the EU, namely in this case France) it is entitled to apply for the domain name <vendome-distribution.eu> and the Panel shall order transfer thereof to the Complainant, all in accordance with Article 22(11) of Regulation 874.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the domain name VENDOME-DISTRIBUTION.EU be transferred to the Complainant.

PANELISTS

Name	Andrew D S Lothian

DATE OF PANEL DECISION 2017-12-27

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

I. Disputed domain name: VENDOME-DISTRIBUTION.EU

II. Country of the Complainant: France, country of the Respondent: France

III. Date of registration of the domain name: 30 March 2017

IV. Rights relied on by the Complainant (Art. 21 (1) Regulation (EC) No 874/2004) on which the Panel based its decision:

1. company name: SOCIETE VENDOME DISTRIBUTION SOVENDIS registered in the French Principal Register of Trade and Companies on 10 April 1973 (SIREN 597320548).

V. Response submitted: No

VI. Domain name is confusingly similar to the protected right of the Complainant.

VII. Rights or legitimate interests of the Respondent (Art. 21 (2) Regulation (EC) No 874/2004):
1. No
2. Why: The record showed no indication of any rights or legitimate interest on the part of the Respondent in the Domain Name and the Complainant had made out a prima facie case based upon submissions and evidence that the registration of the Domain Name was not authorized by the Complainant, that there is no business relationship or any link of any kind between the Parties and that the Domain Name has been registered with false details obtained by identity misuse.

VIII. Bad faith of the Respondent (Art. 21 (3) Regulation (EC) No 874/2004):
1. Yes
2. Why: The Panel determined that the registration and use of the Domain Name in connection with an apparent impersonation of the Complainant and one of its officers by the Respondent with a view to confusing the Complainant's partners and suppliers into engaging with an apparently fraudulent scheme and the Respondent's actual knowledge of the Complainant's rights at the time of registration of the Domain Name demonstrated registration and use in bad faith.

IX. Other substantial facts the Panel considers relevant: None.

X. Dispute Result: Transfer of the disputed domain name.

XI. Procedural factors the Panel considers relevant: None.

XII. Is Complainant eligible? Yes.