Panel Decision for dispute CAC-ADREU-008095

Case number	CAC-ADREU-008095
Time of filing	2021-04-21 02:07:53
Domain names	smurfs.eu

Case administrator

Organization	Iveta Špiclová (Czech Arbitration Court) (Case admin)

Complainant

Organization	

Respondent

Name	Abou Zakhm, Bernadette Selim

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 pending or resolved legal proceedings regarding the Disputed Domain Name <SMURFS.EU>.

FACTUAL BACKGROUND

The First Complainant is International Merchandising, Promotion and Services (I.M.P.S.) SA, a limited liability company organized under the laws of Belgium and operating in Belgium under registration number 0426.198.796.

I.M.P.S. is the worldwide exclusive licensee (excl. USA & Canada) of the Second Complainant, the Swiss company Studio Peyo S.A. Studio Peyo owns a series of EU and international trademarks for the word "THE SMURFS" for and in connection with the well-known fictional characters, dating back to 2009.

The Respondent registered the Disputed Domain Name <SMURFS.EU> on August 12, 2016. The name is not currently in use and is being offered for sale. According to the Complaint, an anonymous inquiry revealed an asking price of 15,000 EURO.

A. COMPLAINANT

In essence, the Complainants contend that the registration of the Disputed Domain Name <SMURFS.EU> is speculative and abusive because:

a) The Disputed Domain Name is identical, or confusingly similar, to the word "THE SMURFS" for which the Second Complainant owns several EU and international trademarks, and for which the First Complainant acts as an exclusive licensee;

b) The Disputed Domain Name has been registered by the Respondent without rights or legitimate interests in the name;

c) The Disputed Domain Name was registered or is being used in bad faith.

Specifically, the Complainants allege that the Respondent's only use of the Disputed Domain Name concerned the operation of a pay-per-click website containing links to the websites of certain competitors of the Complainants, thereby creating consumer confusion.

The Complainants also contend that, upon anonymous inquiry, the Respondent communicated an asking price of 15,000 EURO for the sale of the domain name, which far exceeds the "out-of-pocket" costs for purchasing a domain name with a ".eu" extension. According to Complainants, this shows that the Respondent knowingly misused Complainants' worldwide fame in an attempt to sell the Disputed Domain Name for an extravagant price.

The Complainants, therefore, request that the Disputed Domain Name <SMURFS.EU> be transferred from the Respondent to the First Complainant, thus rendering the First Complainant the official owner of the Disputed Domain Name.

B. RESPONDENT

The Respondent did not provide an answer to the Complaint.

DISCUSSION AND FINDINGS

1/ The filing of a Complaint by related co-complainants is appropriate under the consensus view recorded in section I.13 of the Overview of CAC panel views (http://eu.adr.eu/html/en/handbook_final_for_publication.pdf.). The Panel finds that both Complainants have rights in the name “THE SMURFS” and are related co-complainants – the Second Complainant as the owner of certain registered trademarks and the First Complainant as its exclusive licensee.

2/ The Respondent did not file an answer to the Complaint. Under Paragraph B10(a) of the ADR-Rules, the Panel may consider Respondent's failure to comply as grounds to accept the Complainants' claims.

3/ The Panel finds that the Disputed Domain Name is identical or confusingly similar to a name in respect of which a right is recognized or established by national and/or Community law (Regulation (EC) No. 874/2004, article 21(1); ADR Rules Paragraph B11(d)(1)). Complainants have trademark rights for the term "THE SMURFS" that precede the Disputed Domain Name registration. As the Complainants correctly contend, the distinctive element in the registered trademarks is the word "SMURFS," which is fully replicated in the Disputed Domain Name. The mere omittance of the article "the" in the Disputed Domain Name does nothing to avoid confusing similarity between the Disputed Domain Name and Complainants' trademark rights.

Further, the Panel is unconvinced that the Respondent can assert any rights or legitimate interests regarding the Disputed Domain Name. The materials submitted by the Complainants show that the Respondent used the Disputed Domain Name to publish a webpage with commercial links to websites advertising and selling goods that compete with Complainants' products. The Panel agrees with Complainants that pay-per-click websites do not fall within the “bona fide” offering of goods and services when they take unfair advantage of the value of someone else's trademarks (see also Section IV.3 of the Overview of CAC panel views http://eu.adr.eu/html/en/handbook_final_for_publication.pdf.). The Panel is also satisfied on the undisputed evidence that Respondent has not been commonly known by the Disputed Domain Name, is not making any legitimate and non-commercial or fair use of the Disputed Domain Name, and that there appear to be no other grounds on which the Respondent could assert any right or legitimate interest in the Disputed Domain Name.

Finally, the Panel finds that the Complainants have submitted sufficient evidence to conclude that the Respondent registered the Disputed Domain Name in bad faith, having regard to the conditions outlined in Articles 21(3)(a) and 21(3)(d) of Regulation 874/2004. The Panel is persuaded by the available evidence that the Respondent used the Disputed Domain Name to attract Internet users, for commercial gain, to websites selling competing products by creating a likelihood of confusion with Complainants' brand and registered trademarks. The Panel agrees with Complainants that the Respondent's bad faith is further illustrated by her attempt and obvious goal to sell the Disputed Domain Name for an exorbitant price.

Accordingly, the Panel finds that the Disputed Domain Name is a speculative or abusive registration within the meaning of Article 21 of Regulation 874/2004.

4/ Since the First Complainant is registered in Belgium, it satisfies the general eligibility criteria outlined in Article 4(2)(b) of Regulation 733/2002. As such, the Panel finds that the Disputed Domain Name should be transferred to the First Complainant as requested in the Complaint and in accordance with the second sentence of Article 22(11) of Regulation 874/2004.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the Disputed Domain Name <SMURFS.EU> be transferred to the First Complainant.

This decision shall be implemented by the Registry within thirty (30) days after notification of this decision to the Parties unless the Respondent initiates court proceedings in a Mutual Jurisdiction, Articles B12 (d) and (a) of the ADR Rules.

PANELISTS

Name	**M. Didier Deneuter, Attorney at law**

DATE OF PANEL DECISION 2021-04-14

DATE OF PANEL DECISION [illegible]

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

I. Disputed domain name: SMURFS.EU

II. Country of the Complainant: BELGIUM, country of the Respondent: FRANCE

III. Date of registration of the domain name: August 12, 2016

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

1. EU trademark Reg. No. 008352379 for the word "THE SMURFS" (word mark), for the term of 10 years, filed June 10, 2009, and registered December 24, 2009, for goods in classes 3, 9, 14, 16, 18, 21, 24, 25, 28, 29, 30 and 32 and services in class 41; renewed on February 26, 2019.

2. International Trademark Reg. No. 1072303 for the word "THE SMURFS" (with EU designation), for the term of 10 years, filed January 21, 2011, and registered in the EU on February 27, 2012, for services in classes 35.

3. International Trademark Reg. No. 1153570 for the word "THE SMURFS" (with EU designation), for the term of 10 years, filed on February 11, 2013, and registered in the EU on February 5, 2014, for goods in class 5.

V. Response submitted: No

VI. Domain name is confusingly similar to the protected rights of the Complainants

VII. Rights or legitimate interests of the Respondent (Art. 21 (2) Regulation (EC) No 874/2004):
1. No
2. Why: pay-per-click websites do not fall within the “bona fide” offering of goods and services when they take unfair advantage of the value of someone else's trademark; the Respondent does not appear to have any other rights or legitimate interests either.

VIII. Bad faith of the Respondent (Art. 21 (3) Regulation (EC) No 874/2004):
1. Yes
2. Why: the circumstances indicate that the Disputed Domain Name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the Disputed Domain Name to the holder of a name in respect of which a right is recognized or established by national and/or Community law or to a public body. Also, Respondent intentionally used the Disputed Domain Name to attract Internet users, for commercial gain, to an online location, by creating a likelihood of confusion with a name on which a right is recognized or established by national and/or Community law or a name of a public body,

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: the Respondent failed to answer the Complaint. Therefore, the Panel may consider the Respondent's failure to comply as grounds to accept the Complainants' claims.

XII. [If transfer to Complainant] Is Complainant eligible? Yes, the First Complainant is eligible.