Panel Decision for dispute CAC-ADREU-000174

Case number	**CAC-ADREU-000174**
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Domain names	**domaine.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**French Connexion**

Respondent

Organization / Name	**EURid**

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

There are no other legal proceedings of which the Panel is aware

FACTUAL BACKGROUND

This Complaint arises out of the interpretation and application of Commission Regulation (EC) No 874/2004 of 28 April 2004 (“Regulation 874/2004”) and the .eu Registration Policy and Term and Conditions for Domain Name Applications made during the Phased Registration Period (hereinafter “the Sunrise Rules”). Art. 10 (1) of said Regulation 874/2004 provides that holders of prior rights recognised or established by national or Community law shall be eligible to apply to register domain names during a period of phased registration before general registration of .eu domain starts, and that prior rights shall be understood to include, inter alia, registered national and community trademarks. Art. 12(3) of said Regulation 874/2004 provides that the request to register a domain name based on a prior right shall include a reference to the legal basis in national or Community law for the right to the name, as well as other relevant information, such as trademark registration number. Recital 12 of said Regulation 874/2004 sets out the purpose of the phased registration period in the following terms: “In order to safeguard prior rights recognised by Community or national law, a procedure for phased registration should be put in place. Phased registration should take place in two phases, with the aim of ensuring that holders of prior rights have appropriate opportunities to register the names on which they hold prior rights. The Registry should ensure that validation of the rights is performed by appointed validation agents. On the basis of evidence provided by the applicants, validation agents should assess the right which is claimed for a particular name. Allocation of that name should then take place on a first-come, first-served basis if there are two or more applicants for a domain name, each having a prior right.” The Sunrise Rules govern all applications during the phased registration period (vide Object and Scope). Section 3.1 (1) of the Sunrise Rules states that an application is only considered complete when the Applicant provides the Registry, via a registrar, with at least the following information, inter alia the full name of the prior right. Section 11 (1) of the Sunrise Rules provides that "[d]uring the first phase of the Phased Registration Period, only Domain Names that correspond to (i) registered Community or national trade marks or (ii) geographical indications or designations of origin, may be applied for by the holder ...of the Prior Right concerned..." Section 13 (1) (ii) of the Sunrise Rules provides that "[w]here the Prior Right claimed by an Applicant is a registered trademark, the trade mark must be registered by a trade mark office in one of the member states, the Benelux Trade Marks Office or the Office for Harmonisation in the Internal Market (OHIM), or it must be internationally registered and protection must have been obtained in at least one of the member states of the European Union." Section 11 (3) the Sunrise Rules, the Applicant for a domain name must be the owner or licensee of the claimed Prior Right. The Complainant is a limited commercial partnership engaged in domain name registration and information systems services, duly incorporated in France within the European Community and is the owner of the French trademarks 03 3 203 098 <Domaine>, 00 3 067 486 <domain.eu>, 00 3 067 485 <DOMAINE.EU>. On 7 December 2005, the Applicant applied to register the domain name <domaine.eu> during Phase I of the phased registration period. In support of its application under the Sunrise Rules, the Complainant relied inter alia on said French trademarks 03 3 203 098 <Domaine>, 00 3 067 486 <domain.eu>, 00 3 067 485 <DOMAINE.EU> as establishing its Prior Right. The Complainant's ownership of said trade marks is not in dispute and the Complainant has submitted documentary evidence of transfer of

ownership from BAVAFA Syamak to the complainant during the course of the ADR proceedings. What is disputed is whether the documentary evidence submitted clearly evidences that the Applicant and the Trade Mark owner are one and the same, since the name in the Application is " French Connexion" while the name on the Trade mark certificate is that of BAVAFA Syamak who is the owner and Managing Director of the Applicant French Connexion. It is also disputed that the additional evidence contemplated in 20(3) may be presented after the application has been submitted and even in the course of ADR proceedings. The Respondent refused to register the domain name <domaine.eu> in the name of the Complaint during the Sunrise Period on the grounds that the documentary evidence furnished did not substantiate that the applicant for the domain name is the holder of the Prior Right on the domain name.

A. COMPLAINANT

The Complainant provides lengthy and detailed argumentation as to how its application complies with all regulations to be granted a domain name and this especially with respect to Art 4 b of Regulation 733/2002, , Art. 11 of Regulation 874/2004, Art. 12 of Regulation 874/2004, as well as Article 20.2 of the Sunrise Rules. The Complainant submits that Article 20.2 of the Sunrise period provides that: « If an Applicant is the transferee of a Prior Right and the Documentary Evidence submitted does not clearly indicate that the Prior Right claimed has been transferred to the Applicant, it shall submit an acknowledgement and declaration form». And argues further that: As the Company French Connexion is the transferee of a prior right, article 20.2 of the regulations is therefore applicable. According to article 20.2, if the documents that were submitted do not clearly show the prior right, the applicant can submit an additional document. This document is the acknowledgement and declaration form previously mentioned. Under article 20.2 there can be a time period between the submission of the supporting documents and the submission of the transfer declaration. But this time period is not stated in the rules. The English version uses the expression « the Documentary Evidence submitted». So where the documents that have already been submitted do not clearly indicate a prior right the applicant shall submit a transfer declaration. If the documents provided by the Company French Connexion do not clearly indicate the reality of the transfer of the «domaine» trademark, the register has not allowed the company to submit the transfer declaration because that comes under the ADR procedure set up precisely so as to enable certain situations to be clarified. The Company French Connexion therefore requests that the trademark transfer document that was not submitted when the «domaine.eu» domain name was reserved and was not requested by the EURid, in violation of the provisions of article 20.2 of the Sunrise period regulations for the .eu, be examined. This transfer document shows that the Company French Connexion, an applicant for a reservation of an .eu domain name, was the owner of the registration of the French trademark on the day the domain name request was made. Consequently, the Complainant requests that the <domaine.eu> domain name should be granted to the Company French Connexion in accordance with the provisions of article 12 of regulation no. 874/2004. .

B. RESPONDENT

The Respondent argued that the grounds on which the Registry rejected the application by French-Connexion for the domain name "domaine.eu" were that Article 10 (1) of Commission Regulation (EC) No 874/2004 of 28 April 2004 (hereafter "the Regulation") states that only holders of prior rights which are recognised or established by national or Community law shall be eligible to apply to register domain names during a period of phased registration before general registration of .eu domain starts. Article 14 of the Regulation states that every applicant shall submit documentary evidence that shows that it is the holder of the prior right claimed on the name in question. Section 20 (2) of the Sunrise Rules states that if an applicant is the transferee of a prior right, and the documentary evidence submitted does not clearly indicate that the prior right claimed has been transferred to the applicant, it shall submit an acknowledgement and declaration form Section 21 (1) ii of the Sunrise Rules states that the validation agent shall verify, inter alia, whether the applicant is the holder of a prior right. The validation agent is not obliged to notify the applicant when the latter did not comply with this requirement. Section 21 (2) of the Sunrise Rules states that the validation agent examines whether the applicant has a prior right to the name exclusively on the basis of a prima facie review of the first set of documentary evidence it receives. French Connexion (hereafter "the Complainant") applied for the domain name DOMAINE on December 7, 2005. The documentary evidence was received by the Registry on December 7, 2005, which is before the January 16, 2006 deadline. The Complainant submitted an extract from the French Trademark Register in support of its application. This extract mentions a Mr. Bavafa Syamak as the holder of the DOMAINE trademark. As this extract does not mention the Complainant as the holder of the DOMAINE trademark, the Registry concluded that the Complainant did not hold a prior right and rejected the application. The Respondent then went on to deal with the Complainant's contention that "it was the holder of a prior right at the time of application. The Complainant claims that it was transferred the trademark by Mr. Bavafa Syamak on December 10, 2004. The Complainant agrees that the submitted extract does not show that it is the holder of the DOMAINE trademark and states that it did not submit the declaration form required to prove that it was transferred the said trademark. However, the Complainant appears to be arguing that an applicant may only be required to submit such a declaration form when a review of the first set of documentary evidence it submitted would reveal that he has no prior right. The Complainant appears to be arguing that there is no time limit for submitting such a declaration form." The Respondent cited the Panels in case n° 00119 (NAGEL) and 00232 (DMC) which "both stated that article 14 of the Regulation puts the burden with the applicant to prove that it holds a prior right. If an applicant fails to prove that it is the holder of a prior right, the application must be rejected." The Respondent argues that "To that regard, section 21 (2) of the Sunrise Rules clearly states that only the first set of documentary evidence it receives shall be examined. Consequently, the Complainant should have proved with the first set of documents that he is the holder of a prior

right in the name DOMAINE." Finally the Respondent argues that "Moreover, the Complainant appears to be arguing that, rather than rejecting the application, the Registry should have notified the Complainant that he had not proved that it is the holder of a prior right. To that regard, section 21 (1) of the Sunrise Rules clearly states that the Registry must not notify the applicant when the latter did not comply with this requirement. It is undisputed that the trademark extract which the Complainant submitted to the Registry did not prove that it is the holder of a prior right. It is also undisputed that the Complainant failed to submit a declaration form. Therefore, the Registry was correct in rejecting the application"

DISCUSSION AND FINDINGS

The Panelist determines as follows: The Panelist accepts the Complainant's claim that it is the owner of the French trademarks 03 3 203 098 <Domaine>, 00 3 067 486 <domain.eu>, 00 3 067 485 <DOMAINE.EU>. These material facts are not disputed by the Respondent. The Panelist further accepts all arguments presented by the Complainant with respect to its compliance with to Art 4 b of Regulation 733/2002, , Art. 11 of Regulation 874/2004, Art. 12 of Regulation 874/2004, which arguments are not contested by the Respondent. The Panelist notes that the Respondent did not address the bulk of the arguments raised by the Complainant with regard to Article 20.2 of the but restricted itself to arguing that the "It is undisputed that the trademark extract which the Complainant submitted to the Registry did not prove that it is the holder of a prior right. It is also undisputed that the Complainant failed to submit a declaration form". The Panelist also notes that the Respondent misrepresents Art 21 (1) when it states that "the Registry must not notify the applicant" in case of non-compliance when in point of fact Art 21 (1) is not prescriptive ("must not") but rather facultative insofar as it states that the Registry "is not obliged". The Panelist further notes that while citing case n° 00119 (NAGEL) and 00232 (DMC) the respondent chose NOT to cite 00253 (SCHOELLER) where the relevance of evidence of due diligence by the Registry and Validation Agent was highlighted and where it was held that "When faced with such a situation, the Validation Agent, in terms of section 21 (3) of the Sunrise Rules, had the discretion to " conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced." …All it would have taken to ensure that there is no mistake of identity would have been a short e-mail to the applicant requiring further documentary evidence… to prove that the applicant was one and that same as the holder of the prior right. No evidence of such reasonable and minimal attempt on behalf of the Validation Agent nor of failure of the Applicant to respond to such request has been advanced by the Respondent." While the same section 21 (3) of the Sunrise Rules grants the Validation Agent "sole discretion" to carry out such investigations, it is a fundamental principle of justice that, when granted such discretion, the Validation Agent is not exempted from the requirement to act reasonably. Indeed, it may be argued that the extent of the discretion granted to the Validation Agent implies a higher standard of care and reasonableness. In the circumstances of the case, the Validation Agent could have easily cleared up any doubts by seeking and obtaining further proof of identity... It would be unreasonable for the Validation Agent not to have expended the minimum of effort required to clear any small doubt. For it is clearly the intention of the .eu Sunrise Rules that the role of the Validation Agent should go far beyond that of a mere clerical function, otherwise it would not have endowed this office with such wide and important investigative powers. Just because there was not an immediate and perfect match between the Documentary Evidence and the street address in the domain name application is not sufficient excuse to reject the application for a domain name out of hand." As in the case of Schoeller, the Panelist applied a simple test to check if there was a serious problem with confusion of identity between the applicant and the holder of the prior right. By simply keying in "French Connexion Domaine" , an industry-standard search engine like Google threw up the name of BAVAFA SYAMAK on the third entry within 0.20 seconds indicating that domaine.fr is an ICANN accredited domain registration agency in France. With this minimum of diligence applied the Validation Agent could have had ample grounds for requesting further clarification as indeed the Complainant explicitly states could have been the case. The decision in Schoeller also dealt with the time when such additional evidence could be presented: "The possibility of such additional evidence being provided was clearly contemplated in the Sunrise Rules in Art 20 (3) which states that: If, for any reasons other than as are referred to in Section 20(1) and 20(2) hereof, the Documentary Evidence provided does not clearly indicate the name of the Applicant as being the holder of the Prior Right claimed (e.g. because the Applicant has become subject to a name change, a merger, the Prior Right has become subject to a de iure transfer, etc.), the Applicant must submit official documents substantiating that it is the same person as or the legal successor to the person indicated in the Documentary Evidence as being the holder of the Prior Right. It is a moot point as to whether this section places the onus on the Applicant to submit official documents at the time of the filing of the application or whether these official documents may be requested/supplied at a later date. The Registry is duty bound to observe the spirit and the letter of the Regulations. The purpose of the phased registration period as set out in Recital 12 of the Regulation is "to safeguard prior rights recognised by Community or national law." It follows that the holders of prior rights should therefore be accorded the minimum of respect by the Registry rather than have applications for domain names being rejected without due diligence being applied." The obligations of the Registry regarding due diligence were also examined in Schoeller: "The fact that there exists a Validation Agent does not absolve the Registry of the obligation to ensure that Applicants get fair treatment. Indeed in Section 10 (2) of the Sunrise Rules one reads that Validation Agents are subcontractors of the Registry, which is the only party to decide whether or not a Domain Name is registered in the name of an Applicant. The final responsibility therefore rests with the Registry and, when faced with a situation where the Validation Agent's findings may result in the rejection of an otherwise straightforward and bona fide application, it was the Registry's duty to check with the Validation Agent whether due diligence had been carried out…" The facts of the case demonstrate that the Complainant was the applicant during the phased registration period and that the Complainant is the owner of the Prior Right on which the application is based. The intended purpose of the phased registration period as set out in Recital 12 of said Regulation

874/2004 was “to safeguard prior rights recognised by Community or national law”. In the circumstances this Panelist is satisfied that on the particular facts of this case the Complainant complied with both the Regulation and the Sunrise Rules and that the filing of additional evidence contemplated by 20 (3) at a later date than that of application is not prohibited by the Sunshine Rules but indeed the latter may be construed in a manner where such later submission is permissible. To reject the application under such circumstances would be in contravention of the “first-come, first-served” principle as well as the letter and the spirit of Recital 12 of regulation 874/2004 i.e. “to safeguard prior rights recognized by Community or national law”. In the circumstances the decision of Respondent should be annulled and the Complainants requests granted.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panelist orders that the EURID's decision be annulled and the domain name <domaine.eu> be registered in the name of French Connexion SARL of Nice, France The above order by the Panelist regarding registration of the domain name <domaine.eu> is explicitly given since the complainant has sought a direction pursuant to Section 27 of the Sunrise Rules that the Respondent’s decision be revoked and the panel allocate the Domain Name to the Complainant. In point of fact, Section 27 (1) of the Sunrise Rules states: If the ADR Proceeding concerns a decision by the Registry not to register a Domain Name and the Panel or Panelist appointed by the Provider concludes that that decision conflicts with the Regulations, then, upon communication of the decision by the Provider, the Registry will register the Domain Name in the name of the Applicant and will immediately activate the Domain Name. There existing no prohibition of the panelist’s powers to give such direction, nor any uncertainty as to the Registry’s obligation to so register and activate the Domain name pursuant to communication of this decision, the Panelist formally further orders immediate activation of the Domain Name subsequent to registration.

PANELISTS

Name	**Joseph André Cannataci**

DATE OF PANEL DECISION 2006-08-01

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The complainant challenged the rejection of its domain name application by the registry. Although the complainant was the first applicant for the domain name <domaine.eu> and submitted the proof of a national trademark registration in time, the registry rejected the application. The name on the application was that of the company French Connexion while that on the trade mark registration certificate was that of the founder, owner and managing director of the company French Connexion. The registry therefore took the view that the complainant did not prove its prior right. However, the registry did not advance any proof that the validation agent or itself had made reasonable efforts to, in terms of section 21 (3) of the Sunshine Rules, “ conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced.” While the same section 21 (3) grants the Validation Agent “sole discretion” to carry out such investigations, the Panelist is of the opinion that it is a fundamental principle of justice that, when granted such discretion, the Validation Agent is not exempted from the requirement to act reasonably. In the circumstances of the case, the Validation Agent could have easily cleared up any small doubts by seeking and obtaining further proof of identity despite different name appearing on the trade mark certificate. It would be unreasonable for the Validation Agent not to have expended the minimum of effort to clear this doubt. The Panelist therefore annulled the registry’s decision, as the proof of prior right was valid, produced in good time and is sufficient for an applicant to become the holder of a .eu domain name. The Panelist therefore ordered the attribution of the domain name <domaine.eu> to the Complainant and the immediate activation of the domain name <domaine.eu>