Panel Decision for dispute CAC-ADREU-000188

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Case administrator

Name	Tereza Bartošková

Complainant

Organization / Name	123.ie Internet Services Limited

Respondent

Organization / Name	EURid

FACTUAL BACKGROUND

1. The Complainant company was incorporated in Ireland under corporation number 246049, in 1996. The Complainant is a leading online insurance provider in Ireland, offering home, motor, travel and life insurance. In furtherance of the Complainant's insurance market activities, it is the owner of various registered trade marks, including:

i) UK Trade Mark "123", No. 2243533, filed on 25 August 2000, registered on 15 November 2000 for goods and services in Class 36, namely "Insurance; financial affairs; monetary affairs, real estate affairs, insurance, financial affairs, monetary affairs and real estate affairs, all provided over the Internet"; and

ii) Irish Trade Mark 123.ie, No. 220654, registered on 25 February and published on 2 April 2003 for goods and services in Class 36 relating to insurance services, as set out at Annex 3 to the Complainant's Complaint.

2. The disputed domain name is 123.eu. The domain name offers internet users a website for buying and selling various goods including accessories, digital cameras, audio equipment and many other products.

A. COMPLAINANT

3. The Complainant submitted an application to the Registry for 123.eu on the basis of the UK registered trade mark "123". However, the Registry awarded the Domain Name to Etam SA, whose application was received ahead of the Complainant, on the same date. Etam SA's application was granted on the basis of a prior right based on a figurative CTM (No. 000874719) which was filed on 13 July 1998, and registered on 19 November 2001 in Classes 18 and 25, namely, in Class 18: leather and imitations of leather; animal skins, hides; trunks and traveling bags; umbrellas, parasols and walking sticks; whips, harness and saddlery; in Class 25: clothing, footwear (except orthopaedic footwear), headgear.

4. The Registrant's CTM in question is a word mark containing a device. It is the Complainant's contention that the Registry's decision to award the domain name 123.eu to Etam SA during Sunrise I fails to comply either with EU Regulation (EC) No. 733/2002 of the European Union and of the Council of 22 April 2002 on the implementation of the .eu Top Level Domain and Commission Regulations (EC) No. 874/2004, 28 April 2004 concerning public policy rules relating to the implementation and

functions of EU Top Level Domain and principles governing registration and any further regulation that would replace, amend, or complete such rules and principles, as defined in the ADR with the .EU Registration Policy, Terms and Conditions for Domain Name applications made during the Phased Registration Period (commonly referred to as the "Sunrise Rules").

(i) Section 19(2) – Sunrise Rules

5. The Complainant contends that the Registry's decision contravenes the relevant Regulations on the basis that it does not accord with the requirements of Section 19(2)(i) and (ii) of the Sunrise Rules. In particular, it does not accord with the requirement that the word element in the Prior Right is predominant and can clearly be separated or distinguished from the device element.

6. In support of its contention, the Complainant relies on the definition of the word "predominant" in the Oxford English Dictionary ("OED") and submits that the word element of the mark does not constitute the main or strongest element because:

o The device encompasses over two-thirds of the height of the Mark and the word element appears below the device at the bottom of the Mark, rendering the device the main part of the Mark;
o The device consists of a dynamic, non-geometric shape of significant distinctiveness. The degree of stylization of the device, compared with the uniform font of the word element is such that anyone looking at it would first and foremost focus on the device. The word element is not vivid or forceful in style in comparison with the device;
o The device is white and the word element appears in black. Against the striking blue background of the mark, the reader is immediately drawn to the white device which is the most vivid and intense part of the Mark. The word element therefore becomes secondary and as such the device is the strongest part of the Mark.

7. In further support of its contention, the Complainant seeks to rely on the case of Shaker di L. Laudato & C. SAS v. OHIM, dated 15 June 2005, in which the Court of First Instance found that the dominant element of the application device which appeared in striking colours as opposed to the word element. In addition, the Court also reasoned that the depicted device was dominant on the basis that it was visually larger than anything in the word mark itself.

8. The Complainant therefore submits that, having regard to this case, and having regard to the colour, size and position, the style of the device renders the device as opposed to the mark the most striking element of the Registrant's trade mark and on this basis it is not predominant and therefore falls short of the necessary requirements under the ADR Rules.

(ii) Article 11

9. The Complainant also submits that the Registry's decision to register the Registrant's domain name contravenes Article 11 of Commission Regulation (EC) 874, 2004, which, the Complainant states provides that any special characters, spaces or punctuations which are contained in prior rights claim should be either eliminated entirely from the corresponding domain name and replaced with hyphen, or, if possible, it should be rewritten.

10. The Complainant points out that the Registrant's Registered CTM is '1.2.3' and not '123'. In order to comply with the provisions of Article 11 of the Regulation therefore, the Complainant submits that the Registrant's domain name should have been granted as '1-2-3.eu'; it should not have been granted the domain name in its current form.

11. The Complainant contends that it cannot have been the intention of the relevant EU Regulations to confer an unfair advantage to applicants whose Prior Rights containing special characters, citing by way of example, the Registrant's prior successful application for "1-2-3.eu" which was also made on the basis of the same CTM on which it seeks to rely in the present instance. The Complainant's case is that same the figurative Mark cannot give rise to two different domain names, as this contravenes some of the fundamental principles of the EU Regulations, such as the complete name principle.

(iii) Article 10(2)

12. The final ground upon which the Complainant seeks to rely is that the Registry's decision conflicts with the 'complete name' principle, contained in Article 10(2) of the Regulation and Section 19(1) of the Sunrise Rules. Article 10(2) requires that a registration made on the basis of a Prior Right must consist of the registration of the complete name for which the prior right exists, as written in the documentation which proves the existence of the Prior Right. Further, section 19(1) of the Sunrise Rules prohibit an applicant from obtaining registration of a domain name comprising of part of the complete name for which the Prior Right exists. It is the Complainant's case that on the basis of these provisions, the disputed domain name should not have been awarded to Etam SA, since the Prior Right relied on under the CTM is "1.2.3".

13. In light of the Complainant's registered intellectual property rights for "123" and on the basis of the grounds indicated above, the Complainant now requests that the Registrant's domain name is revoked from Etam SA and that the domain name is immediately transferred to the Complainant.

B. RESPONDENT

14. In support of its position, the Registrant contends that Article 10(1) of the Commission Regulation (EC) 874/2004 provides the holders of prior rights are eligible to apply to register domain names during the period of phase registration before registration of the EU domain starts, i.e. the Sunrise Phase I and that such prior rights include national and Community trade marks. Furthermore, in accordance with Article 12.3 of the Regulation, any request to register a domain name based on a prior right includes the legal basis in national or community law with respect to the right of the trade mark in question.

15. The Registrant contends that the .eu Registration Policy and the Terms and Conditions of the Sunrise Rules and Article 3 of the Regulation provide that evidence of the Prior Right is sufficed by provision of an official document issued by the Trade Mark Office indicating registration of the trade mark in question i.e. certificate of registration. The Registrant confirms that it filed its application for registration of the "1.2.3" domain name on 7 December 2005 in reliance upon its registered CTM No.000874719 and relevant documentary evidence in support of its application on 11 January 2006. The Registrant contends that Article 11 of the Regulation provides that where the name for which Prior Right contains special characters, spaces or punctuation, these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible be written. As such, upon notification of the relevant evidence of the prior right in support of the Registrant's application, the domain name was amended in line with Article 11 and granted as "123".

16. The Registrant takes issue with the various statements and allegations made by the Complainant in its Complaint. In particular, the allegation that the Registry, in granting the .eu domain name, is in contravention of Section 19(2) of the Sunrise Rules. The Registrant contends that the meaning of 'predominant' contained in Section 19(2) is not only to be understood as the strongest, but rather as an element which is clearly depicted, together with other elements and that, in any event, the word element in the figurative sign contained in the prior right is clearly depicted and it can therefore be said to be predominant.

17. In addition, as regards the Complainant's contention that the decision contravenes Article 11 of the Regulation, the Registrant submits that there is no legal basis in the Regulation to require the replacement of punctuations with hyphens rather than their complete elimination. Furthermore, the Registrant states that the Complainant has mistakenly claimed that the same trade mark has given rise to two different domain names.

18. The Registrant further submits that the Complainant's claim that the decision conflicts with the 'complete name principle' and that the domain name should not have been awarded is denied. The manner in which the domain name registration system operates is that the Registry works on a first come first serve basis, as provided in Article 14 of the Regulations.

DISCUSSION AND FINDINGS

19. The Complainant has requested revocation of the disputed domain name from Etam SA and transference of <123.eu> to the Complainant, on the grounds that the Registry's decision to award the disputed domain name is in contravention with section 19(2) of the Sunrise Rules and Articles 10(1) and 11 of the Regulation and that . The Panelist will deal with each of these grounds in turn.

Section 19(2) – Sunrise Rules

20. Section 19(2) of the Sunrise Rules provides as follows:

"A prior right claimed to a name included in figurative or composite signs (signs including words, devices, pictures, logos, etc…) will only be accepted if
(i) the sign exclusively contains a name, or
(ii) the word element is predominant and can be clearly separated or distinguished from the device element

provided that

(a) all alphanumeric characters (including hyphens, if any,) included in the sign are contained in the domain name applied for, in the same order as that they appear in the sign, and

(b) the general impression of the word is apparent, without any reasonable possibility of misreading the characters of which the sign consists or the order in which those characters appear.

21. The Registrant's application for the disputed domain is supported by CTM No. 000874719. In awarding Etam SA the <123.eu> domain name, the Registry considered and determined that Etam SA had a prior right to the disputed domain name as the proprietor of a relevant CTM and that the "word" element of the said Mark "1.2.3" was sufficiently predominant and distinguishable from stylized blue, black and white device so as to accord with the provisions of section 19(2) of the Sunrise Rules.

22. Having regard to the Registrant's CTM, the decision in Shaker di L. Laudato & C. SAS v. OHIM, and, having regard to the meaning of predominant as contained with the OED, in particular, those elements cited by the Complainant, the Panelist considers that assessing the Mark as a whole, the device is predominant. The Panelist agrees with the reasoning put forward by the Complainant in this regard, namely, that:

o the device encompasses over two-thirds of the height of the Mark and the word element appears below the device at the bottom of the Mark, rendering the device the main part of the Mark;
o the device consists of a dynamic, non-geometric shape of significant distinctiveness. The degree of stylization of the device, compared with the uniform font of the word element is such that anyone looking at it would first and foremost focus on the device. The word element is not vivid or forceful in style in comparison with the device;

o the device is white and the word element appears in black. Against the striking blue background of the mark, the reader is immediately drawn to the white device which is the most vivid and intense part of the Mark. The word element therefore becomes secondary and as such the device is the strongest part of the Mark.

23. In light of the above, the Panelist considers that the "word" element is neither predominant, nor is it distinguishable from the device and is not therefore the main or strongest element of the Mark. Even where it may be argued that the device is not the main part of the Mark, the Panelist considers that, in any event, the "1.2.3" part of the Mark is, at the very least, no more than of equal prominence, and is not therefore predominant.

24. The Complainant therefore succeeds on the first of its grounds.

25. Notwithstanding that the Complainant has succeeded on the first ground, the Panelist finds in relation to the other two grounds a follows.

Article 11

26. Article 11 states that:

“As far as the registration of complete names is concerned, where such names comprise a space between the textual or word elements, identicality shall be deemed to exist between such complete names and the same names written with a hyphen between the word elements or combined in one word in the domain name applied for.

Where the name for which the prior rights are claimed contains special characters, spaces, or punctuations, these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible, rewritten.

Special character and punctuations as referred to in the second paragraph shall include the following:

~ @ # $ % ^ & * ( ) + = < > { } [ ] I | ? : ; , . ?”

27. The provisions of Article 11 make clear that periods are to be regarded as “special characters” and their inclusion or otherwise within the disputed domain are therefore properly dealt with under the auspices of Article 11.

28. It is evident from the second paragraph of Article 11 that periods are deemed within the Regulation to be “special characters”. The Complainant contends that under the provisions of this second paragraph, when dealing with special characters which occur within a domain name which is the subject of an .eu application, there are two choices: either the special character in question must be eliminated and replaced with hyphens, it should be rewritten.

29. The Registrant contends that the Registry has acted in accordance with provisions of Article 11 on the basis that, by deleting the periods from the disputed domain name, the Registry has elected to rewrite the domain name.

30. The Panelist considers that in fact, there are three, not two, options which the Registry can adopt when dealing with the reworking or otherwise of special characters, namely:

1. delete the special character;
2. replace the special character with hyphens; or
3. rewrite the special characters.

31. The layout of the relevant part of the paragraph does not include a conjugation, such as “and”, but a comma. It follows therefore that the Regulation does not require that where a special character is eliminated it must be replaced with a hyphen. The Panelist therefore agrees with the Registry’s decision not to replace the periods in the disputed name with hyphens.

32. The Complainant’s case is that same the figurative Mark cannot give rise to two different domain names, as this contravenes some of the fundamental principles of the EU Regulations, such as the complete name principle. There is no reason, however, why the same mark cannot give rise to two different domain names.

33. The Complainant fails on this ground.

Article 10(2)

34. Article 10(2) provides:

“2. The registration on the basis of a prior right shall consist of registration of the complete name for which the prior right exists, as written in the documentation which proves that such a right exists”.

35. The Panelist does not consider that the omission of the special characters (the two periods) from the disputed domain name is contrary to the requirements of Article 10(2). Having regard to Article 11, the periods contained within the disputed domain fall under the category of “special characters”; as opposed to being the name element of the domain, and are properly dealt with under Article 11 (as to which see below). As such, the Panelist considers that the disputed domain does in fact consist of the complete name, being 123, and therefore complies with Article 10(2).

36. The Complainant therefore fails on this ground.

DECISION

For the reasons given above, and in accordance with Paragraphs B12(b) of the ADR Rules, the Panelist orders that

the Complaint is allowed.

For all the foregoing reasons, in accordance with Paragraph B12(b) of the Rules, the Panelist orders that EURid's decision be annulled.

The Panelist has no jurisdiction to transfer the domain name, as requested, in view of the fact that the Complainant does not satisfy the requirements provided under Paragraph 11(c) of the Rules as it is not the next in line in respect of the disputed domain name according to the EURid Register.

PANELISTS

Name	**Isabel Davies**

DATE OF PANEL DECISION 2006-06-12

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The ADR Proceeding relates to a Complaint challenging the decision of the Registry to register the disputed domain name on the following grounds:

1. the word element in the disputed domain was not predominant nor was it capable of being clearly separated or distinguished from the device in the Prior Right relied on;

2. failure of the disputed domain to contain the complete name of Mark as contained in the Prior Right relied on;

3. failure of disputed name to contain relevant special characters.

The Panelist disagreed with the assessment of the Registry that the word element of the disputed name complied with the requirements of section 19(2) of the Sunrise Rules in that the “123” was not the predominant element of the Mark and was not therefore capable of being separated and distinguished from the device as claimed in the Registrant’s CTM, Prior Right.

The Panelist agreed with the Registry, that the complete name of the Prior Right “123” was contained in the disputed name, notwithstanding the omission of the two periods from “1.2.3”.

The Panelist considered that the proper construction of paragraph 2 of Article 11 permitted the Registry to delete the special

characters from the Prior Right Mark and was not bound to replace the deleted special characters with hyphens.

The Panelist allowed the Complaint.