Panel Decision for dispute CAC-ADREU-000297

Case number	**CAC-ADREU-000297**
Time of filing	**2006-03-15 09:17:02**
Domain names	**pizza.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Mr. Torbjörn Ahlberg**

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

The Panel is not aware of any other legal proceedings which are pending or decided and which relate to the disputed domain name.

FACTUAL BACKGROUND

1. The Sunrise Applications

During the Sunrise Period for .eu domains, the domain name PIZZA.EU was applied for and granted, subject to any subsequent complaints, to McDonald's Magyarorszagi Etterem Halozat Kft ("the Applicant"). The Applicant's prior rights to the domain were verified by the Registry's Verification Agent. According to the Documentary Evidence disclosed by the Registry, the prior rights consisted of a Hungarian Registered Trademark (Number 139 301) held jointly by McDonald's Corporation and McDonald's International Property Company Limited, both of United States of America ("the Trademark Holders"), that was licensed by both to the Applicant. In support, Licence Declarations (in force on the date of the application) were accepted as evidence.

The Complainant claims it made an application for the PIZZA domain that was ranked third in time. Having checked the Sunrise Whois database, the Panel notes that there is an anomaly between the name of the Complainant, Torbjörn Ahlberg, and the name of the third placed applicant on the front page of the application log for the PIZZA domain, which is 1-Domain Europe. However, it is noted that according to the expanded entry in the Sunrise database, this applicant is, in fact, Torbjörn Ahlberg.
Ahead of the Complainant at position 2 in the application log is a second application from the Applicant.

2. The Trademark

It is relevant, to the Complainant's case, to point out that the trade mark is figurative or composite in that it includes words (letters in this case) and one (or two) devices or logos. The mark consists of the letters "P", "I", in sequence, followed by a logo or device used to represent the letter "Z", which is then repeated. It is a point of contention in this dispute as to whether the double log represents the double Z. Finally the logo conluded with the letter "A", resulting in what the Applicant would assert is a figurative representation of the word "PIZZA".

In relation to the logo used in the PIZZA trademark, the Complainant makes an observation that is fundamental to its case and, strictly speaking, is a contention to be considered in due course. However such is the nature of the observation that the Panel has decided to treat is a fact.

The Complainant points out, and the Panel concurs, that the logo or device representing the letter "Z" is actually a reproduction of the world-wide renowned trademark used by the McDonald's group of companies (that is to say, for present purposes, the Trademark Holders.). The logo is generally referred to as the "Golden Arches," and is itself a stylised representation of the letter "M" (as in "McDonald's"). In this case each of the two identical "Golden Arches" logos has been rotated clockwise (135 degrees, according to the Complainant) in an attempt, or so it seems to the Panel, to represent a letter "Z" and hence form the word "PIZZA".

3. Preliminary Issue: Withdrawal of Application for Domain Name by Applicant

Before describing the parties' contention, it is necessary to record that there was several exchanges of correspondence during this proceeding that was initiated by and concerned the following communication purportedly from the Applicant:

"Authorisation.
We, the undersigned McDonald's Magyarországi Étterem Hálózat Kft., hereby authorise Euró Magyarország Ipari Kereskedelmi és Szolgáltató Kft. (1106 Budapest, Fehér út 1., company registration number: Cg.01-09-01556, represented by Kálmán Küzdy, managing director), to withdraw from the competent registration officers, effective immediately, our application for the registration of the domain name pizza.eu, submitted with reference to pizza trade mark no 139301.
We do not want the domain name pizza.eu, and request that our name is deleted from the list of applicants.
Budapest, 20 March 2006
[Signature]"

It is noted that an identical communication was sent twice, possibly to deal with the Applicant's second application in the Sunrise database. It is further noted that, on inspection of the Sunrise Application log, Euró Magyarország Ipari Kereskedelmi és Szolgáltató Kft is the Registrar that applied for the domain on behalf of the Applicant. The exchange of correspondence that followed between the parties is not clear throughout and thus is difficult to follow at times. However the Panel will summarise the salient elements and the outcome.

The Registry's initial response was to erroneously assume that the Complainant had filed a withdrawal from the proceeding. Once this oversight was corrected, the Registry explained that as the domain name holder (i.e. the Applicant) was seeking to cancel the registration, the Registry would be willing to accede to the request. It added that it was the Registry's view that if the domin registration in the name of the Applicant was cancelled then this would mean (as the Panel interprets it) the current Complaint would no longer be necessary. It invited the Complainant to agree with this synopsis. In response, the Complainant whilst agreeing that the domain name registration itself should be cancelled, added that so should the second application in the Sunrise Application log – which as noted above is from the same Applicant. It concluded that in its opinion the proceeding had, in effect, been settled by agreement.

The Registry then submitted a further, more detailed submission that the Panel is unfortunately unable to fully comprehend without seeking clarification, albeit that it is very clear that this proceeding should continue on to a decision by this Panel.

What emerges from the Registry's further submission, is the most confusing issue as to whether or not the domain name has been activated. On two occasions the Registry says activation has taken place and on others it states or implies that it has not. Clearly from the WHOIS the name has been activated, and a page resolves (but only to a holding page) when one searches for it on the Internet. The Registry also makes a point that appears to be a partial contradiction (but perhaps not) of its earlier proposal to accept the Applicant's notice of cancellation as a means to terminate the proceeding by way of settlement. In this further submission the Registry states that that cancellation of a domain name that has been activated must be done through an Accredited Registrar, following the standard procedure of quarantine and later cancellation or transfer to a new holder. As for the second Sunrise Application, the Registry states that this not pending, and as a result will have the status "void", and so "the resignation of the applicant cannot considered as withdrawal".

Whatever the imports of these submission are (and the Panel does not require clarification to proceed), the Registry is clear in its communication that it cannot agree to a settlement, and it seems that the chief reason is that it could not agree to a transfer of the domain to the of the Complainant because of the existence of the second Sunrise Application.

After on this final communication, the Panel was appointed to determine the Complaint based upon the Complaint and Response to Complaint lodged in initial phase of this Proceeding. In this regard it should be noted that the projected decision date is 3rd August 2006 and not July as previously stated in the Notification of Appointment of Panel.

A. COMPLAINANT

As noted in the Background above, the Complainant's main contention relies upon the use of certain well-known trade marks, but in a much less well-known setting or context.

As correctly submitted by the Complainant, figurative and composite trademarks can be relied upon to constitute prior rights during the Sunrise period 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.

However, it is additionally required that all alphanumeric characters in the mark are reproduced in the same order in the domain name, and that the general impression of the word is apparent in the mark without any reasonable possibility of misreading the characters.

Without advance sight of the Documentary Evidence submitted by the Applicant, the Complainant correctly assumed that the Trademark Holder's

PIZZA trademark was prior right relied upon by the Applicant. The Complainant proceeded to apply the above criteria to that mark.

The Complainant pointed out that the plain text letters in the trademark were P and (the non-capitalised) “i” and “a”. It then referred to examples of how the Trademark Holder’s (Golden Arches) trademarks are usually used – namely to represent the letter “M”. It then invited the following conclusion, which is best presented verbatim from the Complaint):

“Having in mind that the two golden arches in the device mark is the letter “M” in stylized form, it is also apparent that the general impression of the wording of the device mark is “PIMMA”, instead of PIZZA. The circumstance that the golden arches logos have been rotated clockwise at an angle of approximately 135 degrees does not change the fact that the logos are still identical to the letter M. In the Complaint’s opinion it is clear that ther is no resonable possibility of reading the golden arches in the device mark as the letter “Z” as alleged by the Applicant”

The Panel points out that the Applicant has not made any allegations or submissions in this proceeding, since it is not a party to the complaint.

The Complainant submits that the foregoing argument is a good reason to believe that the application based on the Trademark Holder’s trademark is invalid. It adds that assuming the second Sunrise Application is based on the same trademark that the Panel require the Registry to disregard that application and proceed directly to the third application.

B. RESPONDENT

The Registry is Respondent by virtue of application of the Sunrise Rules.

The Panel notes that a Response was filed by the Registry, but the Response does not make any contentions in relation to the merits of the Complaint. All submissions from the Registry relate to the purported “withdrawal” by the Applicant of its registration and, thereafter to the possibility of a settlement.

DISCUSSION AND FINDINGS

1. Absence of a Meaningful Response.

As noted, the Registry failed to respond meaningfully to the merits of the Complainant’s arguments. According to ADR Rule 3(g), where a Response in “administratively deficient” the Panel may decide the dispute on the basis of the Complaint only. In this case the Response is substantively (as opposed to administratively) deficient. So therefore the Rules do not deal with this specific situation. This leaves the Panel facing the issue as to whether to grant the relief sought given that there is no meaningful response to the arguments raised, or to consider the evidence as it is available to the Panel. Ultimately, a Panel must refer to his general powers (ADR Rule 7) which include the requirement to conduct the Proceeding in such manner as it considers appropriate in accordance with the Procedural Rules, as well as the duty to ensure that the Parties are treated fairly and with equality.

In this case both parties had an equal opportunity to make representations. Indeed the Panel notes that the Registry engaged in the Proceeding, but for some reason (perhaps administrative) the Registry has not sought to defend the verification process that led to granting the domain to the Applicant.
Against this however the Documentary Evidence is available, so the Panel is in a position to review the correctness of the verification. Also the Panel must bear in mind that the Registry has overall responsibilities for the maintenance and management of the .eu namespace, as well as the application and enforcement of the .eu Regulation. Finally, the Panel might consider the fact that the domain is activated but presently is not being actively used.

But most determinative of the issues to consider is Section 26.2 of the Sunrise Rules which provides that “[t]he sole object and purpose of an ADR Proceeding against the Registry is to verify whether the relevant decision by the Registry conflicts with the Regulations.” Therefore, since the Panel is bound by the Procedural Rules, including those applicable during the Sunrise period, the Panel finds that the absence of a meaningful (or indeed any) Response from the Registry is not an administrative defect, or one that should result in an award to the Complainant with reference to the original decision of the Registry.

2. A Purported “Withdrawl” or a De Facto Settlement?

The Panel does not consider it appropriate to consider as evidence the communication from the Applicant purporting to withdraw its registration of the domain name. The Applicant is not a party to this proceeding and is not represented. Accordingly the Panel finds that it would not be in accordance with the Procedural Rules to rely upon such a withdrawal.

However, the fact that one or both of the parties might be rely upon a communication that has been produced in evidence is a different scenario and the Panel considers that it would be in its powers to accept the offer and acceptance of a settlement based upon a third party communication, although the subsequent order would of course be limited to what a Panel can lawfully award.

It is noted that in its communication of 17 May 2006, the Registry states:

“.... the Registry assumes that the domain name holder .... requests the Registry to cancel the resignation of the name which the Registry is willing to

do and which also means that the current complain has no subject any more" It then invites agreement from the Complainant.

The Complainant agrees to this but seeks to extend the principle of the agreement (i.e. reliance upon a third party communication) to cover the as yet unverified second Sunrise Application from the Applicant. To this the Registry cannot agree, and to the extent understood above, concludes that no settlement can be reached.

It falls to be considered by the Panel whether, notwithstanding that the parties have not reached a settlement, the parties effectively agree on a particular fact that can only lead a Panel to a particular conclusion, that there is no dispute or a consensus ad idem about a defining issue. The point of agreement between the parties (and importantly accepted by the Registry) is that Applicant no longer requires the domain name. The Panel draws from this that, ultimately, there is no substantive dispute between the parties. However, the Panel concludes that this cannot lead it to a particular finding of fact that might be determinative of the dispute. The only relevance of the third party communication to this Proceeding is if it is the catalyst of one of the following acts by either or both parties: settlement, withdrawal of the Complaint, acceptance of the Complaint by the Registry, or unilateral cancellation of the domain by the Registry. None of these events have transpired therefore the third party communication is of no consequence.

3. Review of Verification

The Complainant makes an ingenious argument based upon the use (or perhaps misuse) of an established trademark. It is not a contention that is offered by the Complainant, but the Panel might suggest that contentions that are or could be made here is that the Trademark Holders, and their licensee, are firstly generating confusion in the use of their own trademarks, and secondly, seeking protection in an area of activity that is beyond the normal scope of repute established by those marks.
It is accepted by the Panel that the "Golden Arches" logo is widely recognisable and singularly identifiable with the business undertaking. It has considerable repute and individuality so that incidences of passing off are invariably easy to spot.

As to whether the logo itself represents the letter M, the Panel would not be able to accept conclusively as a finding of fact. However, in the Panel's own opinion, the logo appears to represent the letter M when viewed in the normal settings in which the logo is presente, as exemplified in annexes to the Complaint. Furthermore, in the Panel's own experience the association of the logo with the letter M is frequently reinforced and projected in advertising and inertia selling by the Trademark Holders or their agents.
Thus to be presented with the familiar logo being lawfully and intentionally used in an unfamiliar setting is unusual. Indeed, as a matter of simple experience, the Panel agrees that, at first sight, an observer who is familiar with the "Golden Arches" logo must (and no doubt will) comprehend that when the logo is tilted, as it is in the present case, then something other that the customary perception is intended. Indeed some if not all observers might, after momentary consideration, see the different use of the original mark as a deliberate ploy to invite comparisons generally and perhaps puzzlement in some cases with the original.

Beyond this, the Panel is in some difficulty following the Complainant's hypothesis that as (or if) the logo traditionally represents the letter M, when it is rotated it should still represent the letter M, and thus lead one inexorably to the conclusion that the composite logo spells PIMMA. The Panel cannot agree.

The Panel observes that the Complainant has not produced evidence that satisfactorily proves that the logo signifies in law and fact the letter M. For instance there is no evidence showing that the Trademark Holders are restricted in law to only representing the logo as the letter M. Instead the Complainant seeks to rely upon the experience of the many that would typically see the logo representing the letter M. This is one view that may or may not be shared by some, few or many. And if typical experience is to be relied upon then the Panel is duty bound to consider its own assessment and perceptions when observing the PIZZA trademark relied upon in the present case.

As much as the logo might be used to signify the letter M, in the setting offered in the present case, the normal passer-by is more or just as likely to comprehend the logo signifies the letter Z, and comprehend the connection to the world-wide repute of the Trademark Holder's business. In the Panel's opinion, the defining quality in the trademark logo is that the rotated Golden Arches, actually resemble the letter Z, and if that was not sufficient, it is clear that it is intended that they should represent the letter Z given their place amongst the plain text letters, P, I and A to spell PIZZA.

4. Conclusion

Thus for the foregoing reasoning the Panel cannot accept the Complainant's main contention. On the contrary it finds that the Registry correctly concluded that the composite mark exclusively contains a name or the word element is predominant and can be clearly separated or distinguished from the device element. It also correctly concluded that all alphanumeric characters in the mark are reproduced in the same order in the domain name, and that the general impression of the word is apparent in the mark without any reasonable possibility of misreading the characters.

The Panel adds that even if the Complainant was successful on the merits it could not circumvent the Registry's procedures for the registration of domains during the Sunrise Period, accordingly it could not direct the second application in the Sunrise Application Log to be ignored.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the Complaint is Denied

PANELISTS

Name	**Joseph DALBY**

DATE OF PANEL DECISION 2006-07-21

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant submitted that the domain name PIZZA had been granted to the successful applicant during the Sunrise Period in breach of the Registration Policy governing reliance upon composite marks. In the dispute, a very well-known logo that was customarily used by its owners to signify one letter of the alphabet ("M"), had been tilted graphically to represent a different letter (namely "Z"). That is to say, the relative dimensions and style of the logo remained the same, its aspect had merely be turned. The graphically different logo had been used in a new and separate trademark that purported to read PIZZA, and it was this trademark that had been relied upon in the application for the domain.

The Complainant contented that since the logo was so traditionally and universally identified as a letter "M", it could not be used to indicate a "Z". Thus, the Complainant asserted that when the logo was used in the domain name PIZZA, there was a reasonable possibility that the word would be misread as PIMMA.

The Panel found that there was no evidence to indicate that the Trademark Holders were restricted in law and fact from using the logo to represent the letter M, nor that most would perceive the logo as such when used in the present setting. In this regard, the Panel relied upon its own assessment and perception of the mark. Having done so it concluded that there was no reasonable possibility that the composite mark would be misread as PIMMA, and thus upheld the Registry's decision to grant the name to the successful argument.

Separately, the Panel found that a communication sent to the Registry by the successful applicant the effect of which was to attempt to "withdraw" its domain name registration could not be directly relied upon by the Panel as a basis for annulling the Registry's decision. Finally, the Panel ruled that it would not have the power to grant the Complainants application to direct the Registry to ignore the order applications in the Sunrise Application Log.