Entscheidung der Schiedskommission for dispute CAC-ADREU-000449

Case number	**CAC-ADREU-000449**
Time of filing	**2006-04-04 15:33:30**
Domain names	**candy.eu**

Case administrator

Name	**Josef Herian**

Complainant

Organization / Name	**Dr Massimo Introvigne**

Respondent

Organization / Name	**EURid**

ANDERE RECHTLICHE VERFAHREN

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

SACHLAGE

1. On December 7th, 2005 (at 11 hrs 13 min.), complainant, Dr. Massimo Introvigne, acting in the name of the Italian company Candy Elettordomestici S.r.L. ("Candy" or "Complainant"), filed an application for the registration of the domain name "CANDY.EU" on the grounds of several national, international and Community trademarks registered by Candy and/or its affiliates, manly consisting in figurative trademarks containing the term "Candy".

2. On the same date (at 11hrs 03 min.), Wrigley GmbH ("Wrigley"), a well-known German company mainly engaged in the production and commercialization of candy and candy-related products, filed an application for the registration of the domain name "CANDY.EU" on the grounds of the Benelux registered trademark "Candy".

3. The Benelux trademark, on which Wrigley's application for the domain name "CANDY.EU" was based, was registered with the Benelux trademark office by Wm. Wrigley Jr. Company (parent company of Wrigley) on December 2, 2005, and licensed in favour of Wrigley on December 6, 2005.

4. On March 19, 2006, EURid (the "Respondent") accepted and granted to Wrigley the registration of the domain name "CANDY.EU", once it validated the documentary evidence referred to the prior rights of Wrigley over the registered Benelux trademark "Candy".

5. On March 31, 2006, Candy filed a complaint before this Czech Arbitration Court challenging the decision of EURid registering the domain name "CANDY.EU" in the name of Wrigley, on the basis of: (a) the invalidity of Wrigley's Benelux trademark; and (b) the bad faith of Wrigley in applying for the domain name "CANDY.EU".

A. BESCHWERDEFÜHRER

In support of its position, Complainant contents as follows:

1. The application for the registration of the domain name "CANDY.EU" by Wrigley is supported in a trademark registration that may not be valid due to the generic character of the Benelux trademark owned by Wm. Wrigley Jr. Company that has been licensed to Wrigley for the purposes of the application for the domain name "CANDY.EU".

In particular, Complainant contends that, being Wrigley mainly involved in the production and commercialisation of candy and candy-related products, Wrigley may not register, as a valid trademark, the word "Candy" since such term is generic for the products identified by said trademark.

2. In addition, Complainant also contends that, Wrigley not being entitled to register the word "Candy" as a trademark (and therefore, not being entitled to monopolize the use of such term in order to identify candy and candy-related products), the application for the registration of the domain name "CANDY.EU" shall be deemed made in bad faith.

In particular, Complainant understands that the registration by Wrigley of the domain name "CANDY.EU" is causing a prejudice on Wrigley's competitors (as it monopolizes a generic term) and to third parties, such as the Complainant. To such extent, Complainant alleges that it holds valid trademark rights, arising from the registration of several national, international and Community trademarks, and, therefore, Wrigley's application for the registration of the domain name "CANDY.EU" is depriving Complainant of the possibility of using such domain name in order to identify itself on Internet.

B. BESCHWERDEGEGNER

With regard to Complainant's arguments, Respondent contents as follows:

1. Pursuant to article 12 (3) of the Commission Regulation (EC) No. 874/2004, of 28 April 2004, laying down public policy rules concerning the implementation and functions of the .eu Top Level Domain (the "Regulation"), the Applicant is only required to submit a trademark registration number or information concerning publication in an official journal or government gazette in order to be found to have a prior right.

In this regard, Article 10 (1) of the Regulation states that the holder of such a prior right is entitled to apply for the corresponding domain name during the phased registration procedure. In the situation at hand, Respondent recalls that Wrigley submitted sufficient evidence of its ownership over the registered Benelux trademark "Candy". Therefore, its application was compliant to the Regulation and Respondent's decision was in compliance with the Regulation and related provisions.

In connection with the alleged invalidity of "Candy" Benelux trademark, Respondent contends that the Regulation does not allow Respondent to determine whether a registered trademark is invalid or not. Indeed, the Respondent's authority is with registering domain names, not with registering or revoking trademarks. Only a trademark Office or a court may assess and revoke a trademark.

2. With regard to the Complainant's bad faith argument, the Respondent contends that article 22.1.(b) of the Regulation (as well as Section 26.2 of the eu Registration Policy and Terms and Conditions for Domain Name Applications made during the Phased Registration Period (the "Sunrise Rules")), the sole object and purpose of an ADR proceeding against the Respondent is to verify whether the relevant decision adopted by the Respondent conflicts (or not) with the provisions of the Regulation.

To such extent, the review of the decision of the Respondent shall focus only in the respect of the principles governing the registration of the domain name under the generic Top Level domain .eu. In particular, the Respondent recalls that, on the first come-first served basis, Wrigley demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraph of article 14 of the Regulation. Moreover, Respondent finds that there is no legal ground for it to reject a particular domain name on the assumption that the application was made in bad faith or for speculative reasons.

Respondent argues, in this regard, that the only possible basis to contend the registration in bad faith is article 21 of the Regulation, which does only grant the Respondent the right to revoke a domain name if any of the circumstances required by

said article 21 of the Regulation are met, which is not actually the case. In support of that contention, Respondent referred the Decision on the ADR Proceeding No 12 (EUROSTAR), wherein the Panel found that the Registry is not obliged to make an assessment regarding the bad faith in the registration of a domain name.

WÜRDIGUNG UND BEFUNDE

1. As a preliminary and procedural remark, this Panel has assumed in rendering its opinion that, although the information contained in the Czech Arbitration Court's website states that the Complainant is Mr. Introvigne, the complaint giving raise to this arbitration proceeding has been filed by Candy Elettordomestici, S.r.L., represented by Dr. Massimo Introvigne, which is the sole entitled party to act in this proceeding as applicant for the domain name "CANDY.EU" and the alleged titleholder of several prior rights containing the word "Candy".

2. In addition to the above procedural remark, this Panel express the following:

2.1.- The Complainant first contends that the registration by Wrigley of the domain name "CANDY.EU" is based on an invalid prior rights, since the term "Candy" (identifying candy and candy-related products) on which the application has been based, is to be considered generic and, therefore, may not create valid trademark rights.

On the contrary, Respondent contends that, during the phased registration, the Registry shall only valuate the existence of a prior right in the terms of Articles 10 and 12 of the Regulation and, therefore, no analysis of the validity of the alleged prior right shall be carried out by the Respondent.

In relation to the above, the Panel finds as follow:

(a) Under article 10 of the Regulation, holders of prior rights recognized or established by national and/or Community law are eligible to apply for the registration of a domain name during the so-called "Sunrise Period".

For the purposes of said article 10 of the Regulation, "prior right" shall mean, among others, any registered national trademark, which shall be understood as comprising Benelux trademarks. To such extent, the Benelux trademark "Candy", registered on December 2, 2005, by Wm. Wrigley Jr. Company shall be deemed a sufficient prior right to apply for the registration of the domain name "CANDY.EU".

(b) In addition, pursuant to the terms of Section 20 of the Sunrise Rules, any licensee of a registered trademark (which constitutes a prior right for the purposes of the registration of a domain name) may apply for a domain name, provided that it encloses the necessary documentary evidence of its right over the trademark. In particular, the applicant for the domain name must provide a licence granted by the holder of the relevant trademark, according to the template included as Annex 2 to the Sunrise Rules.

To the extent, Wrigley has enclosed a copy of the trademark license agreement (according to the template required by the Sunrise Rules), dated December 6, 2005, this Panel understands that Wrigley is sufficiently entitled to apply for the domain name "CANDY.EU".

(c) Likewise, as explained by Respondent, Wrigley's prior right was sufficient for the purposes of applying for the domain name "CANDY.EU", since at the time of filing the application, the "Candy" Benelux trademark was already registered with the Benelux Trademarks and Patents Office and a valid licence over such trademark has been granted in favour of Wrigley.

In view of the above, this Panel concludes that, for the purposes of Articles 10 and 12 of the Regulation, Wrigley's "Candy" Benelux trademark shall be considered as a sufficient prior right.

(d) Additionally, Respondent's arguments regarding the lack of competence to valuate the validity of a trademark shall be supported by this Panel. Nothing in the Regulation nor in other related legal provisions may attribute the Registry the ability to determine whether a trademark is valid or not. Solely the relevant trademark offices or the competent judicial bodies may solve such question.

To such extent, this Panel finds that the Respondent is not competent for determining the validity or not of a trademark and, having to focus exclusively in the existence of a prior right (within the sense provided in the Regulation), the Registry acted diligently in registering the domain name "CANDY.EU" in favour of Wrigley.

2.2.- The Complainant also contends that Wrigley acted in bad faith in applying for the registration of the domain name "CANDY.EU", since Wrigley may not impose a monopole over the term "candy", when such monopole is banned by the trademarks laws.

On the contrary, Respondent contends that the Registry is not allowed nor required, at this stage of the phased registration, to evaluate the existence of bad faith in the registration of domain names. In its support, Respondent refers to the Decision on the ADR Proceeding No. 12 (EUROSTAR) decided by this Arbitration Court.

In relation to the above, the Panel finds as follows:

(a) Pursuant to article 22.1.(b) of the Regulation (as well as Section 26.2 of the Sunrise Rules), the sole object and purpose of an ADR proceeding against the Respondent is to verify whether the relevant decision adopted by the Respondent conflicts (or not) with the provisions of the Regulation.

In other terms, the review to be made by this Panel is exclusively focused on assessing the compliance by Respondent with the principles governing the registration of the domain name under the generic Top Level domain .eu., and in particular, the first come-first served principle.

On that basis, Wrigley demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraph of article 14 of the Regulation. Moreover, Respondent finds that there is no legal ground for it to reject a particular domain name on the assumption that the application was made in bad faith or for speculative reasons.

(b) Respondent argues, in this regard, that the only possible basis to contend the registration in bad faith is article 21 of the Regulation, which does only grant the Respondent the right to revoke a domain name if any of the circumstances required by said article 21 of the Regulation are met, which is not actually the case.

ENTSCHEIDUNG

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	**Etienne Wery**

DATUM DER ENTSCHEIDUNG DER SCHIEDSKOMMISSION 2006-07-19

Summary

EINE ENGLISCHSPRACHIGE KURZFASSUNG DIESER ENTSCHEIDUNG IST ALS ANLAGE 1 BEIGEFÜGT

1. On December 7th, 2005 (during the so called "Sunrise Period"), Complainant applied for the registration of the domain name "CANDY.EU" on the grounds of several national, international and Community trademarks containing the term "Candy". Earlier on the same date, the company Wrigley GmbH also applied for the registration of the domain name "CANDY.EU" on the grounds of a Benelux trademark registered, on December 2, 2005, in order to identify candy and candy-related products. Respondent decided, on March 19, 2006, to register "CANDY.EU" domain name in favour of Wrigley GmbH.

2. In summary, Complainant contends that the Benelux trademark supporting the application of Wrigley GmbH for the registration of "CANDY.EU" domain name was not a valid prior right as the word "candy", being descriptive and generic for candy and candy-related products, could not create valid trademark rights.

To such extent, Complainant also contends that Wrigley GmbH acted in bad faith in applying for the registration of the domain name "CANDY.EU", as it tied to monopolize a term that could not create valid trademark rights.

3. On the hand, Respondent contends that the documentary evidence submitted to the Registry by Wirgrley GmbH was sufficient to assess that the Benelux trademark "Candy" was registered and, pursuant to article 10 of the Commission Regulation 874/2004, of 28 April 2004 (the "Regulation"), such registered trademark created a valid prior right.

Additionally, Respondent also contends that it is not allowed nor required, at this stage of the phased registration (as established in the Regulation), to evaluate the existence of bad faith since, the sole possibility of the Registry taking into account the existence of bad faith is article 21 of the Regulation (revocation proceeding), which may only be initiated if certain conditions are met, which is they not in the present case.

3. In relation to the above, the Panel finds as follows:

3.1.- Under article 10 of the Regulation, holders of prior rights recognized or established by national and/or Community law are eligible to apply for the registration of a domain name during the so-called "Sunrise Period". For the purposes of said article 10 of the Regulation, the Benelux trademark "Candy", registered by Wm. Wrigley Jr. Company shall be deemed a sufficient prior right.

Likewise, pursuant to Section 20 of the Sunrise Rules, any licensee of a registered trademark (which constitutes a prior right for the purposes of the registration of a domain name) may apply for a domain name, provided that it encloses the necessary documentary evidence of its right over the trademark.

To the extent, Wrigley has enclosed a copy of the trademark license agreement, dated December 6, 2005, this Panel understands that Wrigley is sufficiently entitled to apply for the domain name "CANDY.EU".

In view of the above, this Panel concludes that, for the purposes of Articles 10 and 12 of the Regulation, Wrigley's "Candy" Benelux trademark shall be considered as a sufficient prior right.

Additionally, this Panel finds that nothing in the Regulation nor in other related legal provisions may attribute the Registry the ability to determine whether a trademark is valid or not. Solely the relevant trademark offices or the competent judicial bodies may solve such question.

To such extent, the Registry acted diligently in registering the domain name "CANDY.EU" in favour of Wrigley.

3.2.- Pursuant to article 22.1.(b) of the Regulation (as well as Section 26.2 of the Sunrise Rules), the sole object and purpose of an ADR proceeding against the Respondent is to verify whether the relevant decision adopted by the Respondent conflicts (or not) with the provisions of the Regulation.

On that basis, Wrigley demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraph of article 14 of the Regulation. To such extent, the existence of bad fait may only be evaluated in the framework of the revocation proceedings (as set our in Article 21 of the Regulation) which can only be initiated if certain conditions are met, which is not actually the case.

For all the foregoing reasons, the Panel order that the Complaint is denied.