Entscheidung der Schiedskommission for dispute CAC-ADREU-001046

Case number	**CAC-ADREU-001046**
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Domain names	**redwood.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Redwood International Business Group B.V., Jeroen Schutgens**

Respondent

Organization / Name	**EURid**

SACHLAGE

The Complainant’s subsidiary REDWOOD TECHNOLOGY B.V., with a place of business in The Netherlands, is the owner of the trademark REDWOOD (no. 0582974), applied for with the Benelux Office, since February 15, 1996, regularly registered and duly renewed. The above trademark is registered for the following goods and services: cl 9 software. cl 35 business services in frame of automation. cl 41 providing of courses. cl 42 technical services in the field of automation; automation services.
The Complainant’s subsidiary REDWOOD SOFTWARE NEDERLAND B.V. applied for the registration of the domain name REDWOOD.EU within part one of the “so called” Sunrise Period. According to the EURid’s registry, said application was filed on December 7, 2005 at 12:00 and was situated in fourth position since at that time EURid had already received three applications for the domain name REDWOOD.EU
The German company MIP METRO GROUP INTELLECTUAL PROPERTY GmbH & Co. KG. (hereinafter referred to as “MIP”) is the owner of the German trademark REDWOOD (no. 30502715) registered since March 15, 2005. The above trademark is registered for the following goods and services: cl 09 : spectacles, sunglasses, anti glare glasses, frames for eyeglasses, eyeglass frames, spectacles, spectacle cases, contact lenses, containers for contact lenses, binoculars; cl 14 : precious metals and their alloys as well as thereof produced orplated goods (as included in class 14), gold and silver goods, except cutlery, forks and spoons; key fobs; cigars and cigarette holders, cigars and cigarette holders always of precious metals; jewellery, jewellery, included pins, ornamental pins,tie pins, brooches, bracelets, chains, earrings, pearls, rings; badges of precious metal; precious stones; clocks and chronometric instruments as well as their accessories, as included in class 14 ; towel bars, napkin holders of precious metal;household articles of precious metals; jugs, candle holders, boxes, baskets of precious metal for household purposes; needle cases of precious metal; coins, medallions; cl 18 : leather and imitation leather as well as goods thereof, as included in class18 , in particular bands of leather, leather covers, travelling sets, bags, belts; travel and suitcase, handbags, briefcases, cosmetic cases; document folders, beach bags, brief cases, bags for campers, attache cases, shopping bags, key cases,rucksacks, school bags, school bags, sports bags, wallets, purses; kitbags for travel; skins and furs; furs; umbrellas; umbrella sticks, umbrella rings, parasols and walking sticks; collars for animals; leather tapes; whips, horse harnesses andsaddlery; cl 24 : fabrics and textile products, as included in class 24 ; bed covers and table linen, bed linen; curtains and curtain holders, as included in class 24 , net curtains; cl 25 : clothing for women (including knitted, knitting and woven andarticles of leatherwear), men and children, outerclothing, underclothing, leisure clothing, working clothes and sports clothing; cloths for clothing purposes, dress handkerchiefs, scarfs, collar

protectors, gloves; pockets for clothing; manufacturedready made linings; ready made clothing; neckties, binder; stockings, socks, tights; belts; shoes, including sports shoes, sandals, bath slippers, boots and slippers; footwear; caps, hats, shower cowlings, caps, hoods; ear muffs (dress).
MIP filed an application during the part one of the Sunrise Period for the domain name REDWOOD.EU. Said application was received by EURid on December 7, 2005 at 11:11 and was situated in the first position.
The Respondent evaluated that the Applicant MIP was the holder of a prior right in the sign REDWOOD, it accepted the application situated in the first position.
On May 10, 2006, the Complainant filed a Complaint; the Complainant enclosed with the Complaint, a copy of the Benelux Trademark REDWOOD (no. 0582974) in the name of REDWOOD TECHNOLOGY B.V.
On May 12, 2006 the Czech Arbitration Court (hereinafter referred to as CAC) communicated that the fixed fees, provided for in Paragraph A/6 a of the ADR Rules, were duly paid.
On May 22, 2006 the CAC indicated that the Complaint was completed and issued the Notification of Complaint and Commencement of ADR proceeding, declaring that the formal date of the commencement of the ADR proceeding was May 22, 2006;
On July 10, 2006, the Respondent sent a Response

A. BESCHWERDEFÜHRER

The Complainant argues that MIP, in applying for the domain name REDWOOD.EU, acted in bad faith. The Complainant states that its Benelux trademark REDWOOD is older than the MIP's German trademark REDWOOD. In addition, the Complainant states that since MIP is not using the name REDWOOD in any offering of goods and services and since the same Company is not using the name REDWOOD on its website or in any document connected to its activity, said application must be considered as a speculative and/or abusive one. The Complainant argues also that the above cirumstances clearly indicate that the domain name REDWOOD.EU was applied for by MIP for the purpose of selling it to other companies. Therefore, the Complainant contends that EURid's decision conflicts with article 21 of the EC Regulation 874/2004 and, more in general, with the spirit of EC Regulation 733/2002. In addition, the Complainant argues that it has actively used and is currently using the name REDWOOD for its software products and services since the year 1993. The Complainant requests the attribution of the domain name REDWOOD.EU to Complainant's subsidiary REDWOOD SOFTWARE NEDERLAND B.V., since said company is the next Applicant in the queue for the domain name concerned.

B. BESCHWERDEGEGNER

The Respondent argues that, according to article 14 of EC Regulation 874/2004, it shall register the domain name if it finds that the Applicant demonstrated a prior right. The Respondent states that MIP applied for (first application received) the domain name REDWOOD.EU on December 7, 2005 and that it send the Documentary Evidence on January 12, 2006 and, therefore, within the fixed deadline of January 16, 2006. As the Respondent found that MIP was the holder of a prior right in the sign REDWOOD and in consideration of the fact that MIP was the first in line of applicants for the disputed domain name, the Respondent accepted this application. The Respondent stresses that the above decision is correct since there is no legal ground for it to reject an application for a domain name on the presumption that the application may have been made in bad faith or for speculative reasons. In addition, the Respondent argues that, according to article 22/1 (a) of EC Regulation 874/2004 a party may initiate an ADR procedure against a speculative or abusive registration but such an ADR procedure must be addressed against the holder of the domain name and not against EURid. Finally, with respect to the request of attribution of the domain name REDWOOD.EU to Complainant's subsidiary REDWOOD SOFTWARE NEDERLAND B.V., the Respondent argues that, according to article 11 (c) of the ADR Rules, the Panel may order the transfer of a domain name only subject to the decision by the Registry that the Complainant (in this case the Complainant subsidiary) satisfies all registration criteria set out in the European Union Regulations. Therefore, the Respondent concludes that the Complainant's transfer request must be rejected.

WÜRDIGUNG UND BEFUNDE

The Complainant challenged the EURid's decision to register the domain name REDWOOD.EU in the name of MIP. MIP sent the relative application during part one of the Sunrise Period.
Article 14 of EC Regulation 874/2004 regulates the validation and registration of application received during phased registration. In particular, according to the final paragraph of the above mentioned article, EURid shall register the domain

name on a first come, first served basis, if it finds that the Applicant has demonstrated a prior right in accordance with the procedure set out in the same article 14.
EURid ascertained that MIP (who filed the first application during the part one of the Sunrise Period for the domain name REDWOOD.EU) had a prior right to the disputed domain name since it demonstrated to be the owner of the German word trademark REDWOOD (no. 30502715) registered since March 15, 2005.
Moreover, for the purpose of demonstrating the above prior right, MIP sent to EURid, as Documentary Evidence, a copy of the trademark registration certificate. Such an evidence must be considered useful and valid according to section 13, paragraph 2 (i) of the Sunrise Rules.
The Complainant argues that MIP, in applying for the domain name REDWOOD.EU, acted in bad faith, in that the Complainant argues that MIP registered the disputed domain name only for the purpose of selling it to third parties.
It should be noted that the Complainant does not explain in the Complaint the reason for which the EURid, in verifying the application for the disputed domain name, should have examined the good or bad faith of the Applicant. The Complainant only requested the annulment of the decision in consideration of different circumstances that, in its view, are useful to demonstrate that the application of MIP has been made in bad faith and that, therefore, said application is in contrast with Article 21 of EC Regulation 874/2004 .
In the present case the Panel will need to verify whether or not EURid is obliged to examine the good faith of the Applicant when deciding on the registration of the domain name.
As pointed out by the Respondent, there is no legal ground in the EC Regulation 733/2002 and/or in the EC Regulation 874/2004 and/or in the Sunrise Rules for the EURid to reject an application for a domain name on the presumption that the application may have been made in bad faith or for speculative reasons.
Therefore, since the only obligations for EURid, in accepting an application, are those expressely arising from the above mentioned regulations and rules, the Panel finds that EURid does not have the obligation to assess the issue of good faith when processing applications during the phased registration period.
All the above stated, the Panel agrees with the decision of EURid to register the domain name REDWOOD.EU in the name of MIP, since said decision is in line with the EC Regulations 733/2002 and 874/2004 (in particular with article 14 of said regulation) as well as with the Sunrise Rules.
Since the Complainant based the Complaint on article 21 of the EC Regulation 874/2004, the Panel proceed to explain the reasons for which such an article is not relevant in the present case. According to the first paragraph of said article, a registered domain name shall be the subject of revocation using an appropriate extra-judicial or judicial procedure , where that name is identical or confusingly similar to a name in respect of which a right is recognized or established by national and/or Communitary law, such as the rights mentioned in Article 10 (1) and where it: (a) has been registered by its holder without rights or legitimate interest in the name; or (b) has been registered or is being used in bad faith.
In addition, article 22 of the EC 874/2004 (paragraph 1) establishes that an ADR procedure may be initiated by any party where: a) the registration is speculative or abusive within the meaning of Article 21; or b) a decision taken by the Registry conflicts with this Regulation or with Regulation (EC) No. 733/2002.
The Panel is of the opinion that the “revocation” of a domain name, to be requested in accordance with article 21, through the procedure provided for by Article 22 paragraph 1 letter (a), is a measure not compatible with an examination aimed to the mere purpose of verifying if EURid mistakenly accepted an application for a domain name.eu. Indeed the latter is the only scope of the present procedure addressed against EURid.
According with the Panel understanding, the EC Regulation 874/2004, when considering the issue of the intervention of the domain name’s holder in procedures aimed to the revocation, clearly discplines that the domain name’s holder shall have the right to intervene in the relative procedure. This, of course in order to ensure a minimum procedural protection of the domain name holder (see the decision in the case 00012 EUROSTAR.EU).
Indeed, according to article 20 of the EC Regulation 874/2004, in specific cases the EURid may initiate a procedure for the revocation of a domain name. In these cases it is expressly provided by the same article 20 that “the procedure shall include a notice to the domain name holder and shall afford him an opportunity to take appropriate measures”.
In the present case the Respondent is EURid and the Panel does not have legal ground to ask the intervention of the domain name holder. Therefore, the only grounds of the Response are those aimed to an explanation regarding the accuracy of EURid in analyzing the documents provided by the Applicant and in registering the disputed domain name and not in analyzing the motives of the Applicant.
The present procedure, that contests the EURid’s decision to allocate the domain name to MIP, does not permit MIP to be a party and, therefore, MIP is not in a position to answer the Complainant’s grounds of bad faith.

All the above stated, it is clear that the present procedure has to be considered under Article 22 paragraph 1 letter (b). Therefore, said procedure has only the purpose of examining whether or not an EURid's decision is in line with the relevant rules and regulations, and it cannot be considered an appropriate extra-judicial or judicial procedure pursuant to article 21 of the EC Regulation 874/2004.
The Panel is of the opinion that the Complainant should have activated a procedure for the revocation of the domain name REDWOOD.EU, according to articles 21 and 22 paragraph 1 letter (a), addressing the Complaint against MIP and not against EURid. Only in this case the Respondent would have the chance to reply against the arguments of the Complainant aimed to demonstrate the bad faith of MIP.
The Panel does not consider that the Registry should assess the issue of good faith when processing applications during the phased registration period. In the present case, EURid, in registering the domain name REDWOOD.EU to MIP has complied with all its obligations as provided for by the relevant Rules and Regulations. It should be noted, however, that the Panel does not consider that the decision of the present case would preclude the Complainant from commencing an ADR procedure against MIP (rather than against the EURid) on the basis of articles 21 and 22(1)(a) of the EC Regulation 874/2004.
Since the decision of assigning the domain name REDWOOD.EU to MIP is correct, the Panel deems that it is not necessary to examine the Complainant's request to have the disputed domain name REDWOOD.EU transferred to Complainant's subsidiary REDWOOD SOFTWARE NEDERLAND B.V.

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	**Guido Maffei**

DATUM DER ENTSCHEIDUNG DER SCHIEDSKOMMISSION 2006-08-02

Summary

EINE ENGLISCHSPRACHIGE KURZFASSUNG DIESER ENTSCHEIDUNG IST ALS ANLAGE 1 BEIGEFÜGT

The Complainant objected the EURid's decision to allow the registration of the domain name REDWOOD.EU to MIP. The Complainant argued that MIP, in applying for the domain name REDWOOD.EU, acted in bad faith on the grounds that MIP wanted to obtain the registration only for the purpose of selling it to third parties. In order to substantiate the above argument, the Complainant explained that MIP is not using the name REDWOOD in any offering of goods and services nor in its website or in any document connected to its activity. Therefore, in the Complainant's view, the application for REDWOOD.EU must be considered as a speculative and/or abusive one.

MIP, as first applicant for the domain name REDWOOD.EU, demonstrated to be the owner of a German trademark which established its prior right in the name. The Panel verified that the EURid's decision to allocate the domain name REDWOOD.EU is correct according to EC Regulations 733/2002 and 874/2004 as well as with the Sunrise Rules.
Actually, EURid registered the domain name REDWOOD.EU on a first come, first served basis, after having found that MIP had a regular prior right on the name REDWOOD.
Furthermore, the Panel analyzed the issue of obligation of EURid in verifying the motives of the Applicant when processing applications during the phased registration period. In the Panel's view there is no legal ground in the EC Regulation 733/2002 and/or in the EC Regulation 874/2004 and/or in the Sunrise Rules for the EURid to reject an application for a domain name on the presumption that the application may have been made in bad faith or for speculative reasons.
Therefore, since EURid complied with all the relevant rules and regulations in registering the domain name REDWOOD.EU in the name of MIP, the Panel considered that the Respondent's decision is correct and therefore dismissed the Complaint and pointed out that the Complainant could still initiate an ADR procedure, according to articles 21 and 22/1(a) of EC Regulation 874/2004, against MIP, rather than against EURid.