Panel Decision for dispute CAC-ADREU-001053

Case number	**CAC-ADREU-001053**
Time of filing	**2006-05-02 11:42:08**
Domain names	**santos.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**SANTOS, Jacques Fouquet (organisation= SANTOS)**

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 pending legal proceedings.

FACTUAL BACKGROUND

Article 10 (1) of Commission Regulation (EC) No 874/2004 of 28 April 2004 (hereafter “Regulation 874/2004”) 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 10 (2) of Regulation 874/2004 states that the registration on the basis of a prior right shall consist of the registration of the complete name for which the prior right exists, as written in the documentation which proves that such a right exists.

Section 19 (2) of the Sunrise Rules states that 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 the sign exclusively contains a name or if the word element is predominant, and can be clearly separated or distinguished from the device element.

Pursuant to article 14 of Regulation 874/2004, the onus lies on the applicant to submit documentary evidence showing that he or she is the holder of the prior right claimed on the name in question. Based on this documentary evidence, the validation agent shall examine whether the applicant has prior rights on the name.

Article 11 of the ADR Rules states that the transfer and attribution will only be granted by the Panel if the Complainant is the next applicant in the queue for the domain name concerned and subject to the decision by the Registry that the Complainant satisfies all registration criteria.

The Complainant applied for the domain name SANTOS on 7 December 2005. The documentary evidence, including a completed and signed declaration form, was received on 10 January 2006, which was before the deadline.

The Complainant application was based on its claimed rights in the French registered trademark n°1435693.

The Registry concluded from its examination of the documentary evidence that the Complainant did not have a prior right on the SANTOS sign, and consequently rejected the Complainant’s application for the domain name <santos.eu>.

A. COMPLAINANT

The Complainant company is a family business, founded and first registered in Lyon France in 1956. Since its incorporation it has used the name SANTOS S.A. and latterly ETS SANTOS and has carried on business as a supplier to the hotel and catering industries manufacturing and selling electrical appliances such as juice extractors, centrifuges, coffee grinders, as well as coffee and espresso machines on the domestic French and export markets.

The Complainant is the owner of the French Registered Mark n°1435693, the application for which was filed in 1978.

The Complainant is also the owner of the ccTLD Internet Domain Name www.santos.fr and uses that domain name as the address for its website.

The Complainant disputes the decision taken by the Respondent to refuse its application for registration of the <santos.eu> domain name under the Sunrise Rules.

In support of its claim the Complainant has submitted the following documentary evidence:

• A copy of its application for registration of the domain name <santos.eu>:
• A copy of the publication of the French Registered Mark n°1435693 in the Official Bulletin of the Industrial Property No. 88/16, following renewal of the French trademark filed on February 20, 1978 under No. 41451 and registered under No. 1065537 in the name of SANTOS SA;
• A copy of the Certificate of renewal of the French Registered Mark n°1435693 on October 1, 1997 in the name of ETS SANTOS;
• A copy of documents relating to the correction in the French National Register concerning the change of company name of the applicant from ETS SANTOS to SANTOS SA, registered on September 9, 2002, on the French Registered Mark n°1435693;
• A copy of documents relating to a correction in the French National Register concerning the change of company name and legal form of the applicant from SANTOS SA (société anonyme) to SANTOS (société par actions simplifiée) registered on October 25, 2005, on the French Registered Mark n°1435693.

The Complainant refers to the documentary evidence filed and argues that its ownership of the French Registered Mark n°1435693 cannot be possibly contested.

While the Complainant was identified as "Etablissements SANTOS" in the application for registration of the domain name "santos.eu", the word "Etablissement" is used in France for indicating a company. The Complainant is both the applicant for registration of the domain name <santos.eu> and the owner of the French Registered Trade Mark n°1435693.

The Complainant submits that in refusing the Complainant’s application the Respondent seems to have considered that there was no concordance between the claimed Domain Name, namely <santos.eu> and the claimed Prior Right, namely said French Registered Trade Mark n°1435693, that the Complainant describes as “SANTOS and Device”. The Complainant submits that it is surprised by the position taken by the Respondent given that in another case the Respondent has accepted, for example, the domain name "jocker.eu" on the basis of a registered trademark JOCKER681.

The Respondent refers to the Public Policy Rules for domain names in ".eu" that state inter alia as follows:

"Prior rights claimed to a name included in a figurative or composite sign (signs including words, devices, pictures, logos etc.) will be accepted on the following conditions:

The sign exclusively contains a name, or

[…] 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 in which they appear 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".

The Complainant submits that the Respondent has manifestly failed to apply these principles to the Complainant’s application for the <santos.eu> Domain Name.

The Complainant submits that its claimed Prior Right claimed, namely said French Registered Trade Mark n°1435693 fulfils the required conditions, in that there are two distinct elements in the mark, namely, the word SANTOS and a distinct device element. The Complainant submits that the word element is the dominant element and distinct from the device element. The device element consists of a square including two slim semicircles and a large slanting band. The word element is the only element which is pronounced in the present trademark.

The Respondent refers to the decision of the Court of First Instance of the European Communities in proceedings concerning a trademark consisting of a word element and a device element, where the Court clearly recognized that the attention of the public is mainly retained by the verbal element of a trademark since the word element is, for the public, "the most important means of identifying the mark" (Judgment dated February 18, 2004 - Case T-10/03).

The Complainant submits that in the present case it is clear that the word element SANTOS is the predominant element in the claimed trademark and

can "be clearly separated or distinguished from the device element".

Furthermore the Complainant submits that when third parties present the Complainant's products on the Internet, they only refer to the word element SANTOS. The Complainant has submitted evidence of such use as an annex to the Complaint.

Furthermore, the Complainant submits that when Internet browser searches are carried out for the word SANTOS, the Complainant's website "santos.fr" appears in the first results.

The Complainant submits that "all alphanumeric characters included in the sign are contained in the domain name applied for, in the same order as that in which they appear". Indeed, the sole and unique characters of the trademark are the S-A-N-T-O-S letters, which form the word SANTOS, identical to the claimed domain name. There cannot be any ambiguity on this point.

The applicant considers that "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". When presented with the Complainant's trademark, members of the public would have no difficulty either reading of the word SANTOS or identifying the order of the characters, namely SANTOS.

Procedural Point

On 12 July 2006, in a non-standard communication, the Complainant further submitted that Paragraph B.3 (a) of the ADR Rules states that the respondent shall submit a Response to the Court within thirty working days of the date of the delivery Complaint. In the present ADR proceeding, the Complainant submits that the Respondent failed to submit the Response before the time limit. In accordance with Paragraph 10 (a) of the ADR Rules, the Panel may consider this failure to comply as grounds to accept the claims of the other party. In view of this rule, the Complainant requested the Panel not to take into account the observations filed after the deadline by the Respondent.

On 13 July 2006, the Czech Arbitration Court confirmed that the date of delivery of the Complaint to the Respondent is 15th May 2006.

B. RESPONDENT

The Respondent submitted as follows:

Article 10 (2) of Regulation 874/2004 states that the domain name must be the complete name of the prior right.

The Respondent submits that the Complainant's registered trademark is a device mark. Section 19 (2) of the Sunrise Rules explains how this rule should be applied with regard to device marks: the world element will be considered to be the complete name of the prior right if the sign exclusively contains a name. The prior right will only exist in the complete name.

The Complainant's registered trademark is a stylized device mark which reads as follows: S SANTOS.

In order to determine the prior right pursuant to section 19 (2) of the Sunrise Rules, only the stylized element should be disregarded. This means that the Complainant does not have a prior right in SANTOS, but only in the entire S SANTOS name mentioned above.

Moreover, in the documentary evidence submitted by the Complainant, the device mark of the Complainant is consistently transcribed as S SANTOS (for instance in the letter of the Cabinet Lavoix Lyon and in the documentary evidence of corrections in the French national register concerning the change of the company name of the Complainant).

Therefore, the Registry's decision to reject the Complainant's application for the SANTOS domain name is in line with Regulation 874/2004.

There are no submissions from the Respondent on the procedural point raised by the Complainant regarding the late filing of the Response.

DISCUSSION AND FINDINGS

Procedural Point

While the Response was filed late, in the present case the content of the Response is merely to restate the basis for the decision to reject the Complainant's application. In those particular circumstances, notwithstanding the fact that there is a special onus on the Respondent, as the Registry, to adhere to the time limits set in the procedural rules, the Panel has exercised its discretion to admit the Response.

Substantive Issues

The first issue to be addressed is whether the Complainant is in fact the owner of the Prior Right, being French Registered Trade Mark n° 1435693, on which the application is based. The Complainant was initially incorporated as SANTOS s.a. and subsequently changed its name to ETS SANTOS.

The application was filed in the name of "Etablissements SANTOS". This is clearly the same entity and while the Complainant quite correctly addressed it in anticipation of it becoming an issue in these preceedings, the Respondent has not put this in issue and it is possible to proceed on the basis that the Complainant, the owner of French Registered Trade Mark n°1435693 and the applicant for registration of the <santos.eu> domain are one and the same undertaking.

The Prior Right relied upon by the Complainant in its application for registration of the <santos.eu> domain name under the Sunrise Rules was said device mark being the French Registered Trade Mark n°1435693.

Article 10.2 of 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 and the principles governing registration, states:-

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

The detail of the methodology to be applied by the Respondent during the Sunrise Period is set out in the Sunrise Rules. Sub-section 19.2 of the Sunrise Rules in particular addresses the manner in which the Respondent is obliged to deal with Prior Rights that consist of device marks.

Sub-section 19.2 of the Sunrise Rules provides:

"2. Documentary Evidence must clearly depict the name for which a Prior Right is claimed. 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 in which 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."

In the present case, the name to which the Prior Right is claimed is the sign registered as French trademark n°1435693. The sign is both figurative inasmuch as it contains a device or logo element and is composite inasmuch as it consists of both the figurative element and the word SANTOS.

The Complainant argues that Rule 19.2.(ii) applies and that there is a predominant word element being the word SANTOS and a figurative element being a stylised square device.

It is the Complainant's case therefore that all alphanumeric characters included in the sign are contained in the Domain Name applied for, in the same order as that in which they appear in the sign, and that 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.

The Complainant submits that on that basis it was entitled to be registered as the owner of the <santos.eu> domain name during the Sunrise Period and that the Respondent's decision to refuse registration should be annulled.

On the other hand the Respondent argues that Rule 19.2(i) applies and that the Respondent was correct to reject the Application on the ground that the Complainant/Applicant applied for the word "SANTOS" when it should have applied for the letters "S SANTOS".

The Respondent took the view that the sign exclusively contains the name i.e. the letters " S Santos", the letter "S" being incorporated in a device or figurative form.

The decision of the panel in this case therefore comes down to whether the French trademark registration n°1435693 is for the mark SANTOS and Device or S SANTOS and Device.

Both parties seem to accept that the word SANTOS is not included in the figurative element of the mark.

The Complainant submits that the device element consists of a square including two slim semicircles and a large slanting band. That is correct, but the device element is also quite clearly the letter “S” in a stylised form and it is quite clearly intended to be the letter “S”.

The Panel notes that the mark is described as “S SANTOS (semi figurative)” in some of the documents contained in the Documentary Evidence relied upon by the Complainant.

The Panel is however conscious that the Complainant’s case is not without merit. The Complainant is clearly is known as SANTOS. SANTOS is its company name. It appears to have common law rights in the name SANTOS. It has an Internet presence in its web site established at the <santos.fr> address. Third parties refer to the Complainant’s goods as SANTOS goods. While these do not amount to Prior Rights for the purposes of the first phase of the Sunrise Period, they do indicate that the Complainant has undoubtedly rights in the SANTOS trade mark.

It appears from the documents submitted that the Complainant does not use the word mark S SANTOS.

Furthermore the Complainant has persuasively argued that the word element in the Prior Right relied upon is SANTOS and not S SANTOS and that when spoken the mark is SANTOS and not S SANTOS.

The Sunrise Rules however clearly require at Rule 19.2(ii)(a) that:-

“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 in which they appear in the sign”.

Section 19.2(ii) of the Sunrise Rules refers to the “sign”. It applies to figurative or composite signs. In the present case the “sign” consists of the stylised letter “S” and the word SANTOS.

Since the device element in the Prior Right relied upon by the Complainant is a stylised alpha numeric character, the letter “S” applying the methodology laid down in Rule 19.2(i) of the Sunrise Rules or even the methodology laid down in Rule 19.2(ii) that all alphanumeric characters (including hyphens, if any) included in the sign should be contained in the Domain Name applied for, in the same order as that in which they appear in the sign, it was reasonable that the Respondent should have rejected the application in those circumstances.

The Complainant’s application for the domain name <santos.eu> must fail.

In reaching this decision the Panel is conscious that the present case has certain similarities with the proceedings in O2 DEVELOPPEMENT v. EURid (Case 00470, 2006-07-05) where it would appear from the decision that the mark in issue was also composite sign, albeit where the all elements appear to have been clearly alphanumeric. In the present case both parties seem to have accepted that there were two distinct elements in the mark viz. the device element and the word element SANTOS. Nonetheless the device element is an alphanumeric character for the purposes of Section 19 of the Sunrise Rules.

Furthermore for completeness the Panel is of the view that the decision of the Court of First Instance of the European Communities (Judgment dated February 18, 2004 - Case T-10/03) cited by the Complainant does not assist in the construction of the provisions of Sub-section 19 of the Sunrise Rules insofar as they relate to the issues in suit in these proceedings.

Accordingly, the decision taken by Respondent to reject the Complainant’s application for the <santos.eu> domain name application does not conflict with the Regulation 874/2004.

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	**James Bridgeman**

DATE OF PANEL DECISION 2006-07-13

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

In its application for registration of the domain name <santos.eu>, the Complainant relied upon a device mark being the French Registered Trade Mark n° 1435693 as it’s Prior Right.

Sub-section 19.2 of the Sunrise Rules in particular addresses the manner in which the Respondent is obliged to deal with Prior Rights that consist of device marks as follows:

”2. Documentary Evidence must clearly depict the name for which a Prior Right is claimed. 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 in which 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.”

The sign relied upon by the Complainant sign is both figurative inasmuch as it contains a device or logo element and is composite inasmuch as it consists of both the figurative element and the word SANTOS.

The Complainant argues that Rule 19.2.(ii) applies and that there is a predominant word element being the word SANTOS and a figurative element being a stylised square device. The Complainant argued that all alphanumeric characters included in the sign are contained in the Domain Name applied for, in the same order as that in which they appear in the sign, and that 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.

The Respondent argues that Rule 19.2(i) applies and that the Respondent was correct to reject the Application on the ground that the Complainant applied for the word “SANTOS” when it should have applied for the letters “S SANTOS”.

The Respondent took the view that the sign exclusively contains the name i.e. the letters “ S Santos”, the letter “S” being incorporated in a device or figurative form.

The Panel decided that in the present case the “sign” consists of the stylised letter “S” and the word SANTOS.

Since the device element in the Prior Right relied upon by the Complainant is a stylised alpha numeric character, the letter “S” applying the methodology laid down in Rule 19.2(i) of the Sunrise Rules or even the methodology laid down in Rule 19.2(ii) that all alphanumeric characters (including hyphens, if any) included in the sign should be contained in the Domain Name applied for, in the same order as that in which they appear in the sign, it was reasonable that the Respondent should have rejected the application in those circumstances.

The Complainant’s application for the domain name <santos.eu> must be refused.