Panel Decision for dispute CAC-ADREU-001280

Case number	CAC-ADREU-001280
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Domain names	aeris.eu

Case administrator

Name	Tereza Bartošková

Complainant

Organization / Name	aeris-Impulsmöbel GmbH & Co KG

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 pending or decided legal proceedings in relation to the disputed domain name.

FACTUAL BACKGROUND

Complainant launched by e-mail a Complaint with the Czech Arbitration Court on May 8, 2006 to contest EURid Decision 2800100522712584 of March 29, 2006 not to register the domain name <aeris.eu>. The Czech Arbitration Court, after assigning as Time of Filing the date of May 11, 2006, notified the Complainant of Complaint deficiencies on May 18, 2006, and, subsequently, the Complainant filed an amended version of the Complaint on May 19, 2006, accompanied by a print-out of an extract from the official online database of the German Patent and Trade Mark Office translated into English. In response to Complainant's request to the Czech Arbitration Court to require EURid to disclose the Documentary Evidence as defined in the .eu Registration Policy and Terms and Conditions for Domain Name Applications made during the Phased Registration Period (hereafter "Sunrise Rules"), the Respondent disclosed, inter alia, the Documentary Evidence on May 22, 2006.

On May 24, 2006 the Czech Arbitration Court notified the commencement of the ADR Proceeding, informing the Respondent that Respondent's Response was to be submitted within 30 working days from the delivery of the notification and drawing Respondent's attention to the fact that the Complainant elected to submit the dispute in this ADR Proceeding to a Panel consisting of three impartial and independent Panelists, inviting the Respondent to indicate the names and contact details of three persons in order of preference in its Response.

Respondent did not comply with the deadline indicated in the Notification of Complaint and Commencement of ADR Proceeding for the submission of its Response and the Czech Arbitration Court notified the Respondent of Respondent's default in the morning of July 12, 2006.

Following the notification of Respondent's default, Respondent submitted a non-standard communication in the afternoon of July 12, 2006, in essence incorporating the grounds on which the Registry rejected the application for the domain name <aeris.eu> by aeris-Impulsmöbel GmbH & Co KG.

Complainant filed a non-standard communication on July 18, 2006, seeking to dismiss Respondent's non-standard communication of July 12, 2006, as it incorporated the grounds, on which the Registry rejected the domain name application, alleging that such grounds should have been submitted within the prescribed deadline for Respondent's Response.

Following an invitation to serve as a Panel in this dispute communicated on July 20, 2006, the three-member Panel accepted the mandate and submitted Declarations of Impartiality and Independence in due time. The Czech Arbitration Court duly notified the Parties

of the identity of the Panelists appointed on July 22, 2006, in accordance with Paragraph B4(e) of the .eu Alternative Dispute Resolution Rules (hereafter "ADR Rules") and the date, by which a Decision on the matter was due, which was specified as August 22, 2006.

In the absence of a challenge of the Panelists' appointment by either Party according to Paragraph B5(c) of the ADR Rules, the Czech Arbitration Court forwarded the case file to the Panel on July 25, 2006.

Following the transmission of the case file to the Panel, Complainant filed a challenge against two of the three appointed Panelists on July 26, 2006. The Czech Arbitration Court acknowledged the receipt of the Panelist challenge and, following the submission of Responses by the challenged Panelists, it issued its decision on August 2, 2006, dismissing the challenge against both Panelists as groundless.

A. COMPLAINANT

Complainant in its Complaint and amended Complaint contends that Complainant is the legitimate licensee of the owner of the registered trademark AERIS. Complainant contends that the trademark AERIS is in full force, evidenced by an annexed print-out of the extract from the official online database of the German Patent and Trade Mark Office in relation to trademark registration No. 1178080. Complainant also contends that, as support of its prior right, Complainant submitted a license agreement and a copy of the official certificate of registration of the trademark AERIS, accompanying its application to register the domain name <aeris.eu> on December 7, 2005, during the first phase of the Phased Registration Period. Complainant further contends that the Documentary Evidence was submitted in time and that it verifies a valid prior right. Moreover, Complainant contends that, when applying for the domain name registration, Complainant fulfilled all necessary requirements and made all relevant and necessary representations and warranties according to Section 4(1) of the Sunrise Rules.

In support of Complainant's contentions that the prior right was valid at the day of the domain name application Complainant annexes a print-out of the extract from the official online database of the German Patent and Trademark Office in relation to trademark registration No. 1178080.

As a result, Complainant contends that Respondent's decision to reject the domain name application conflicts with the European Union Regulations, as Complainant contends that the Complainant fulfilled all necessary requirements for registration. Complainant, as a result, seeks the remedy specified in Paragraph B11(c) of the ADR Rules.

B. RESPONDENT

Respondent failed to submit a Response within the time frame prescribed by the ADR Rules, i.e. within 30 working days from the delivery of the notification of commencement of the ADR Proceeding.

Following the notification of Respondent's default, Respondent submitted a non-standard communication on July 12, 2006, contending that the domain name application for the domain name was rejected because the Domain Name Applicant, i.e. the Complainant in this ADR Proceeding, failed to submit Documentary Evidence, which clearly shows that the trademark, which was registered in the name of Complainant's licensor, was still in force.

Respondent further contends that the burden of proving that a valid prior right exists lies with the Domain Name Applicant and that Complainant did not produce any evidence that the trademark AERIS, initially registered on June 20, 1991, was renewed and was, therefore, in force at the time of the domain name application.

Respondent also contends that the representations and warranties made by Complainant and Complainant's licensor that the prior right claimed was valid and in full force do not affect Respondent's obligations under Article 14(10) 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 (hereafter "Regulation 874/2004") to examine whether the Domain Name Applicant has established the existence of a prior right in order to be entitled to register a corresponding domain name.

Finally, Respondent contends that the print-out of the extract from the official online database of the German Patent and Trade Mark Office in relation to trademark registration No. 1178080 disclosed by the Complainant was only submitted in the framework of this ADR Proceeding, did not form part of the Documentary Evidence submitted in the framework of the domain name application and should, therefore, not be taken into account by the Panel.

DISCUSSION AND FINDINGS

ISSUES

1. Language of the ADR Proceeding

According to Article 3(d) of Regulation 874/2004, the request for domain name registration shall include, inter alia, an undertaking by electronic means from the requesting Party that it shall abide by all the terms and conditions for registration, including the policy on the extra-judicial settlement of conflicts set out in Chapter VI.

Section 16.3 of the Registration Terms and Conditions stipulates: "Unless otherwise agreed by the parties to an ADR Procedure or otherwise specified in the agreement between the Registrant and its Registrar, the language of the ADR Procedure shall be the language of that agreement. Any ADR Procedure initiated against the Registry shall be conducted in the English language."

Pursuant to these provisions, Complainant is obliged to conduct the ADR Procedure against Respondent in the English language. Complainant filed the Complaint in English on May 8, 2006. The Complaint was accompanied by a print-out of an extract from the official online database of the German Patent and Trademark Office in German. The amended Complaint filed on May 19, 2006 was accompanied by a translation of the print-out in English.

Following Complainant's request to the Czech Arbitration Court to require EURid to disclose the Documentary Evidence, Respondent disclosed, inter alia, the Documentary Evidence on May 22, 2006. The Documentary Evidence disclosed is in the German language and comprises a license agreement and the copy of the official certificate of registration for the trademark AERIS.

Paragraphs 3(c) and 3(d) of the ADR Rules state: "(c) All documents including communications made as part of the ADR Proceeding shall be made in the language of the ADR Proceeding. The Panel may disregard documents submitted in other languages than the language of the ADR Proceeding without requesting their translation. Any communication by the Provider which, from its content, cannot be regarded as amounting to procedural documents (such as cover letters with which the Provider sends procedural documents or automatic system notifications generated by the Provider's application) shall be made in the language of the ADR Proceeding or in English.
(d) The Provider and, after its constitution, the Panel by itself or upon the request of a Party, may order that any documents submitted in languages other than the language of the ADR Proceeding be accompanied by a translation in whole or in part into the language of the ADR Proceeding."

The wording of the ADR Rules leaves discretion to the Panel to disregard documents in languages other than the language of the ADR Proceeding or to order the submission of translations for such documents. In this ADR Proceeding, it has not been deemed as necessary to order translations of either the license agreement, due to the fact that it is the standard license agreement, Annex 2 to the Sunrise Rules, entitled License Declaration for a Registered Trade Mark, that is provided in many languages, including English, in Respondent's website in the framework of .eu domain name applications, or the copy of the official certificate of registration for the trademark AERIS, as the Panel could rely on its linguistic skills to translate the disclosed document. Furthermore, Complainant did not contest the Documentary Evidence disclosed by Respondent nor did it request a translation of the documents in the language of the ADR Proceeding.

2. Timely initiation of the ADR Proceeding

Pursuant to Section 26(1) of the Sunrise Rules, the Domain Name Applicant may initiate an ADR Proceeding against a decision of the Registry within forty calendar days following that decision ("Sunrise Appeal Period").

In this particular case, Respondent rejected the domain name application on March 29, 2006 and Complainant launched a Complaint by e-mail with the Czech Arbitration Court on May 8, 2006, to contest this decision. The Czech Arbitration Court assigned as Time of Filing the date of May 11, 2006. On May 18, 2006 the Czech Arbitration Court notified Complainant of deficiencies in the Complaint and on May 19, 2006 the Complainant filed an amended version of the Complaint.

In the absence of a clear definition in the Sunrise Rules or the ADR Rules of what exactly amounts to a timely initiation of an ADR Proceeding and in light of the fact that the Complaint of May 8, 2006 was initiated within the time prescribed by Section 26(1) of the Sunrise Rules, the Panel finds that a fair treatment of the Complainant only dictates that the interpretation and approach to be followed is that the timely initiation of the ADR Proceeding should be examined on the basis of the earliest date, on which the Complaint was initiated, irrespective of whether a later Time of Filing was assigned and an amended Complaint rectifying deficiencies was submitted at a later time point, after the expiry of the forty calendar days for the initiation of an ADR Proceeding against the decision of the Registry.

Therefore, the Panel finds that the Complaint was initiated properly within the prescribed time frame.

3. Respondent's default

Respondent failed to submit a Response within the time frame prescribed by the ADR Rules. Respondent filed a non-standard communication incorporating the grounds, on which the rejection of the domain name application was made. Such a non-standard communication essentially incorporates a Response and Paragraph B8 states: "In addition to the Complaint and the Response, the Panel may request or admit, in its sole discretion, further statements or documents from either of the Parties."

When exercising its discretion the Panel is, however, bound to observe procedural guarantees and Paragraph B7(b) reads: "In all cases, the Panel shall ensure that the Parties are treated fairly and with equality."

Admitting a non-standard communication by the Respondent, essentially incorporating a late Response, would be prejudicial to the fair and equal treatment of both Parties in the framework of this ADR Proceeding. All Parties should observe deadlines for the fair and expeditious progress of the ADR Proceeding. Respondent did not challenge the notification of Respondent default according to Paragraph B3(g) of the ADR Rules, nor did it provide any grounds for its belated Response incorporated in the non-standard communication.

In the absence of exceptional circumstances brought to the Panel's attention justifying the belated Response incorporated in the non-standard communication, the Panel finds the non-standard communication and the information contained therein inadmissible. Therefore, the Complaint will be decided on the basis of information and evidence submitted by Complainant in its Complaint and amended Complaint and by Respondent in response to Complainant's request to the Czech Arbitration Court to require EURid to disclose the Documentary Evidence.

4. The relevant provisions

This Complaint arises in relation to the application and interpretation of primarily Regulation 874/2004, Regulation (EC) No 733/2002 of the European Parliament and of the Council of 22 April 2002 on the implementation of the .eu Top Level Domain (hereafter "Regulation 733/2002"), the Sunrise Rules, the Registration Terms and Conditions and is governed by the ADR Rules and the ADR Supplemental Rules.

According to Recital 12 of Regulation 874/2004, in order to safeguard prior rights recognized by Community or national law, a procedure for phased registration should be put in place with the purpose of ensuring that holders of prior rights have appropriate opportunities to register the names on which they hold prior rights on a first-come, first-served basis, subject to validation of such rights on the basis of evidence provided by the applicants.

The procedure to be followed for validation and registration of applications received during the Phased Registration Period is described in Article 14 of Regulation 874/2004. In particular, Article 14(1) states that "[a]ll claims for prior rights under Article 10(1) and (2) must be verifiable by documentary evidence which demonstrates the right under the law by virtue of which it exists" and Article 14(4) states that "[e]very applicant shall submit documentary evidence that shows that he or she is the holder of the prior right claimed on the name in question. […]" Article 14(7) provides that "[t]he relevant validation agent shall examine whether the applicant that is first in line to be assessed for a domain name and that has submitted the documentary evidence before the deadline has prior rights on the name. If the documentary evidence has not been received in time or if the validation agent finds that the documentary evidence does not substantiate a prior right, he shall notify the Registry of this." Finally, Article 14(10) sets out that "[t]he Registry shall register the domain name, on the 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 second, third and fourth paragraphs."

In order to be able to register a .eu domain name during the Phased Registration Period, the Domain Name Applicant needs to satisfy certain requirements set out in Section 3 of the Sunrise Rules.

Section 13(1) of the Sunrise Rules, entitled Registered Trade Marks, clearly states that where the prior right claimed is a registered trademark, it must be registered by a national trademark office, the Benelux Trade Marks Office, OHIM or be internationally registered and protected in at least one of the European Union Member States.

Section 13(2) specifies the Documentary Evidence to be submitted for registered trademarks and clearly states: "Unless otherwise provided for in Annex 1 hereto, it is sufficient to submit the following Documentary Evidence for a registered trade mark:
(i) a copy of an official document issued by the competent trade mark office indicating that the trade mark is registered (certificate of registration, renewal certificate, official extract from the register, declaration by the trade mark office, publication of the fact of

registration in an official journal, etc.); or
(ii) an extract from an official (on-line) database operated and/or managed by the relevant national trade mark office, the Benelux Trade Marks Office, the OHIM or the WIPO. Extracts from commercial databases are not acceptable even if they reproduce exactly the same information as the official extracts.
In the foregoing cases, the Documentary Evidence must clearly evidence that the Applicant is the reported owner of the registered trade mark.
In case the Applicant is a licensee or transferee of a registered trade mark referred to in Section 13(1) above, Section 20 hereof shall apply."

The examination by the Validation Agent is set out in Section 21 of the Sunrise Rules, where it is specified:
"[…]2. The Validation Agent examines whether the Applicant has a Prior Right to the name exclusively on the basis of a prima facie review of the first set of Documentary Evidence received and scanned by the Processing Agent (including the Documentary Evidence received electronically, where applicable) and in accordance with the provisions of these Sunrise Rules.
3. The Validation Agent is not obliged, but it is permitted in its sole discretion, to conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced."

The results of the validation are to be communicated to the Registry in accordance with Section 22(1) of the Sunrise Rules.

Article 22 of Regulation 874/2004 concerns the ADR Procedure. It reads: "1. An ADR procedure may be initiated by any party where:
[…] (b) a decision taken by the Registry conflicts with this Regulation or with Regulation (EC) No 733/2002.
[…]
5. The complaints and the responses to those complaints must be submitted to an ADR provider chosen by the complainant from the list referred to in the first paragraph of Article 23. That submission shall be made in accordance with this Regulation and the published supplementary procedures of the ADR provider.
[…]
11. […]
In the case of a procedure against the Registry, the ADR panel shall decide whether a decision taken by the Registry conflicts with this Regulation or with Regulation (EC) No 733/2002.
[…]
The alternative dispute panel shall issue its decision within one month from the date of receipt of the response by the ADR provider. The decision shall be duly motivated. The decisions of the panel shall be published.
[…]"

Therefore, in this particular case, it is imperative to examine, firstly, whether a prior right was claimed and, secondly, whether the Domain Name Applicant could substantiate that the Domain Name Applicant applied for the domain name registration on the basis of a valid prior right. It is only if Complainant has indeed satisfied all requirements as set out by the relevant European Union Regulations and has proven, in particular, the aforementioned issues at the time of the domain name application that the issue of whether Respondent erred in rejecting Complainant's application arises, as such a decision would conflict with Regulation 874/2004 or Regulation 733/2002.

5. Type of prior right claimed

Article 10 of Regulation 874/2004 reads: "1. Holders of prior rights recognised or established by national and/or Community law and public bodies shall be eligible to apply to register domain names during a period of phased registration before general registration of. eu domain starts.
'Prior rights' shall be understood to include, inter alia, registered national and community trademarks, […].
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.
[…]"

In terms of the first issue, whether a prior right was claimed, it can be seen in the Documentary Evidence disclosed by the Respondent in response to Complainant's request that the Complainant submitted a copy of the official certificate of registration issued for the trademark AERIS by the German Patent and Trade Mark Office, No. 1178080, registered on June 20, 1991. Since the Documentary Evidence disclosed by the Respondent has not been contested by Complainant, the Panel is satisfied that the prior right claimed is a national trademark.

In terms of the second issue, whether the Domain Name Applicant could substantiate that the Domain Name Applicant applied for the domain name registration on the basis of a valid prior right, it is imperative to examine the evidence submitted.

6. Valid prior right

The Domain Name Applicant was aeris-Impulsmöbel GmbH & Co KG, while the trademark holder seems to be Mr. Glöckl. The Documentary Evidence disclosed by the Respondent, which has not been contested by Complainant, comprises a license agreement and a copy of the official certificate of registration for the trademark AERIS. In light of the disclosed Documentary Evidence, the Panel is satisfied that the Domain Name Applicant, i.e. the Complainant in this ADR Proceeding, in the framework of its domain name application submitted a license agreement, which evidences that Mr. Glöckl in the capacity of the licensor granted a license to aeris-Impulsmöbel GmbH & Co KG in the capacity of the licensee to apply for the domain name <aeris.eu>, and a copy of the official certificate of registration for the trademark AERIS.

The copy of the official certificate of registration for the trademark AERIS does not contain any indication of renewal of the registration, even though the copy contains a relevant section entitled “Schutzdauer verlängert mit Wirkung vom”, i.e. “Term of protection extended with effect from”.

As the trademark appears to have been applied for on July 11, 1990 and registered on June 20, 1991, proof of renewal is fundamental in order to establish that the trademark was still registered at the time of the domain name application.

Complainant disclosed in its Complaint and amended Complaint a print-out of the extract from the official online database of the German Patent and Trade Mark Office in relation to trademark registration No. 1178080, showing that the term of protection was extended on July 12, 2000 and, therefore, the trademark existed indeed and was in full force at the time of the domain name application.

However, a decision by the Registry can only be annulled if Complainant can prove that such a decision conflicts with the European Union Regulations and the burden of proof is clearly on the Domain Name Applicant to establish a valid prior right at the time of the domain name application. As the Documentary Evidence submitted by the Respondent has not been contested by the Complainant, it is clear that the print-out of the extract from the official online database of the German Patent and Trade Mark Office in relation to trademark registration No. 1178080 did not form part of the domain name application and was only submitted in the framework of this ADR Proceeding. Therefore, the Registry’s decision to reject the domain name application was made in the absence of this document and should be examined in this respect. Had the Complainant submitted the print-out as part of the Documentary Evidence in its domain name application, the issue would have been straightforward. But Complainant did not do so.

Complainant has submitted at the time of the domain name application the license agreement between the trademark owner as licensor and the Complainant in this ADR Proceeding as licensee dated on the day of the domain name application, where the licensor represented and warranted, inter alia, that he was the owner or right holder of the trademark, and the trademark was a legally valid right and both the licensor and the licensee represented and warranted that the statements made in the license were true, correct and not fraudulent.

In this respect, it is fundamental to examine the evidentiary value of the license agreement as to the existence of a valid prior right.

The submission of a license agreement does not absolve the Domain Name Applicant from the obligation to substantiate that a valid prior right in full force exists. This is established beyond doubt by Section 13 of the Sunrise Rules.

In accordance with Article 14(10) of Regulation 874/2004, the Registry is obliged to examine whether a valid prior right still exists based on the Documentary Evidence disclosed by the Domain Name Applicant. A certificate of trademark registration not containing renewal information is not enough, as this is merely indicative of the fact that the trademark was registered at some point, but is not conclusive as to whether the trademark still exists, which is the requirement set by Regulation 874/2004 and the Sunrise Rules.

Furthermore, it is clear from Section 21(3) of the Sunrise Rules that “[t]he Validation Agent is not obliged, but it is permitted in its sole discretion, to conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced.” Therefore, the Validation Agent does not have an obligation to conduct own investigations in the circumstances of the domain name application, the prior right claimed and the documentary evidence produced and any examination is only a prima facie examination based on the evidence produced by the Domain Name Applicant. It is merely the Validation Agent’s right to inquire into the circumstances of the domain name application, the prior right claimed and the documentary evidence produced in its sole discretion, which means that the Validation Agent alone can decide whether to exercise its discretion or not. In the present case, the Validation Agent did not use this right and the Panel holds that such decision was lawful.

Section 22(1) reads: “The Validation Agent informs the Registry of its findings in accordance with Article 14 of the Public Policy Rules

and in a manner agreed by them." Section 22(2) states: "The Registry registers Domain Names on a first come, first served basis where it finds that the Applicant has demonstrated a Prior Right in accordance with Section 2 hereof. […]" Pursuant to the communication of the Validation Agent's findings to the Respondent and in the absence of supporting evidence submitted by the Domain Name Applicant, the Respondent decided to reject the domain name application, as the Domain Name Applicant failed to substantiate a valid prior right in full force.

According to Paragraph B11(d)(2), the Panel shall issue a decision granting the remedies requested under the Procedural Rules in the event that the Complainant proves in ADR Proceedings, where the Respondent is the Registry, that the decision taken by the Registry conflicts with the European Union Regulations.

The Panel is satisfied that Respondent's decision does not conflict with the European Union Regulations.

In the absence of evidence to conclude otherwise, Panel has no choice, but to dismiss the Complaint.

DECISION

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

the Complaint is Denied

Torsten Bettinger
Darius Sauliunas
Foteini Papiri

Dated: August 22, 2006

PANELISTS

Name	**Dr. Torsten Bettinger, LL.M.**

DATE OF PANEL DECISION 2006-08-22

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

Complainant contested Respondent's decision to reject an application for the registration of the domain name <aeris.eu>. Respondent failed to submit a Response within the time frame prescribed by the ADR Rules and in a subsequent non-standard communication argued that the application was rejected because the Domain Name Applicant failed to establish that the prior right claimed was still in force at the time of the domain name application.

In light of the fundamental principle of treating both parties in this ADR Proceeding fairly and with equality and in the absence of a challenge of the notification of Respondent default or the existence of exceptional circumstances, the Panel decided to hold Respondent's non-standard communication, essentially incorporating a Response, inadmissible.

In respect of the prior right claimed and after examining the Documentary Evidence submitted by the Respondent in response to Complainant's request, the Panel accepted that the prior right claimed is a national trademark.

In respect of the issue whether the prior right existed at the time of the domain name application and after examining the Documentary Evidence submitted by the Respondent in response to Complainant's request, the Panel found that, at the time of the domain name application, the Complainant failed to submit evidence proving that the trademark claimed was still in force. The burden of proof lies with the Domain Name Applicant and supporting evidence to this effect cannot be presented as late as during this ADR Proceeding.

The Panel found that, according to Paragraph B11(d)(2) of the ADR Rules, the Complainant did not prove that the decision taken by the Registry conflicts with the European Union Regulations.