Panel Decision for dispute CAC-ADREU-001317

Case number	CAC-ADREU-001317
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Domain names	fee.eu

Case administrator

Name	Tereza Bartošková

Complainant

Organization / Name	Fédération des Experts Comptables Européens (FEE), Mr Henri Olivier

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

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FACTUAL BACKGROUND

Fédération des Experts Comptables Européens, F.E.E. ('the Complainant') is seeking the annulment of the decision of EURid (the Registry) according to which the FEE.eu domain name is allocated to Web Traffic Holding B.V. The Complainant is initiating this ADR proceeding against the Registry (the Respondent) under Article B 1 (a)(2) of the ADR Rules. The claim for annulment is based on the grounds that the decision conflicts with EC Regulation No 874/2004, more specifically Article 10(2).

Secondly, the Complainant is requesting that the disputed domain name is transferred to it. The Complainant argues that it meets the general eligibility criteria set out in Article 4(2)(b) of EC Regulation No 733/2002 since it is a non-profit international association registered in Belgium with its central administration and principal place of business in Brussels, Belgium. In addition, the Complainant has a substantiated prior right to the name 'FEE' and is the next applicant in the queue for the domain name concerned.

A. COMPLAINANT

The Sunrise Registration Procedure is a procedure for phased registration for domain names in the .eu top level domain (TLD), intended to safeguard prior rights recognized by Community or national law. Holders of prior rights recognized or established by national and/or Community law and public bodies will benefit from the 'Sunrise period' - during which the registration is exclusively reserved to such holders of prior rights recognized or established by national and/or Community law and public bodies. A party is eligible to apply during the phased registration, if it is the holder of a prior right. The nature of the prior right will determine the period during which the applicant is eligible to apply for the registration of a .eu domain name. According to Article 10(1) EC Regulation No 874/2004: 'Holders of prior rights recognized 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, geographical indications or designations of origin, and in as far as they are protected under national law in the Member State where they are held: unregistered trademarks, trade names, business identifiers, company names, family names, and distinctive titles of protected literary and artistic works.'

The principles for the phased registration are laid down in the third and fourth paragraphs of Article 12(2) of EC Regulation No 874/2004: 'During the first part of phased registration, only registered national and Community trademarks, geographical indications and the names and acronyms referred to in Article 10(3), may be applied for as domain names by holders or licensees of prior rights and by the public bodies mentioned in Article 10(1). During the second part of phased registration, the names that can be registered in the first part a well as names based on all other prior rights can be applied for as domain names by holders of prior rights on those names'.

Every applicant shall submit documentary evidence that shows that he or she is the holder of the prior right claimed on the name in question. The validation agent has an obligation to assess the right which is claimed for a particular name on the basis of the documentary evidence provided by the applicants. If there are two or more applicants for a particular domain name, each having a prior right to that particular name, allocation of that name should then take place on a first-come, first-served basis.

Traffic Web Holding B.V. (Traffic Web Holding) applied during the first phase of the Sunrise Registration Period on 27th January 2006 for the disputed domain name on the grounds that it is a holder of a registered trade mark "F&E".

The Complainant applied for the registration of the disputed domain name on 7th February 2006 during the second phase of the Sunrise Registration Period. Under Article 12(2) of EC Regulation No 874/2004, the Complainant was eligible to apply during the second phase because it is a holder of a prior right that falls under the category, 'company name, trade name and business identifier'. The Complainant is the holder of a prior right of a company name that is protected under Belgian law being a non-profit international association ('Association Internationale sans but Lucrative' (A.I.S.B.L.), under Belgian law and recognized by a Royal Decree dated 30 December 1986.

The Registry allocated the disputed domain name to Traffic Web Holding. The allocation was done on the basis of the 'first come, first served' principle, according to Article 14 of Regulation No 874/2004. The decision was communicated to the Complainant on 10 April 2006 at 10:25.

The disputed decision is contrary to Regulation No 874/2004. It is explicitly stated in the last paragraph of Article 14 of EC Regulation No 874/2004, that the Registry will allocate the domain names on a 'first come, first served basis', if it finds that the applicant has demonstrated a prior right to that name. Even though Traffic Web Holding was first to apply for the disputed domain name, they have no substantiated prior right to the complete name. Traffic Web Holding's application during the first phase of the Sunrise Registration was based on the fact that it has a prior right to a registered trade mark under Article 10(1) of Regulation No 874/2004) 'F&E' under Dutch law. However, the Registry allocated the name 'FEE', which is crucially different to 'F&E', to which they have prior right.

This decision of the Registry conflicts with both the EC Regulation No 874/2004 and the '.eu Sunrise Rules'. According to Article 10(2) Regulation No 874/2004, registration on the basis of a prior right shall consist of the registration of the complete name to which the prior right exists. Furthermore, it is explicitly stated in the '.eu Sunrise Rules' Section 3(2), that 'the domain name applied for must consist of the complete name for which a Prior Right is claimed, taking into account (i) Article 11 of the Public Policy Rules, and (ii) Section 19 therein'. According to Section 19(1) of the '.eu Sunrise Rules', 'it is not possible for an applicant to obtain registration of a domain name comprising part of the complete name for which the Prior Right exists'.

In addition to the abovementioned provisions, the rules of the validation process prepared by PriceWaterhouse Coopers stipulate that, 'the domain name must exactly match the name for which the prior right exists'. The Complainant submits that this is clearly not the case here. 'FEE' clearly does not exactly match 'F&E'. It follows that the Registry should not have allocated the disputed domain name to Traffic Web Holding, since it does not have a prior right to the complete name 'FEE'. Consequently, the decision of the Registry is flawed since the prerequisite of a substantiated prior right to the domain name applied for has not been met.

Article 11 of Regulation No 874/2004, provides that 'where the name for which prior rights are claimed contains special characters, spaces or punctuations, these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or if possible rewritten'. Applying this rule to the registered trade mark in question 'F&E', the Complainant submits that Traffic Web Holding could have been allocated the domain names 'FE', or 'FANDE', or 'FETE' etc, but not 'FEE'.

Traffic Web Holding has not verified that it has a substantiated prior right to the name 'FEE'. Furthermore, Traffic Web Holding does not have a 'legitimate interest' within the meaning of Article 21(a) EC Regulation No 874/2004, in the name 'FEE'. Traffic Web Holding has not been commonly known by the name 'FEE' and they have not made a legitimate and non-commercial use of this name. In addition to this, they have not been known by the name 'FEE'.

The Complainant is a non-profit international association, created under Belgian law and recognized by a Royal Decree dated 30 December 1986. According to Article 46 of the Belgian law of 1921 (on the non-profit making associations, the non-profit making international associations and the foundations) as amended since, the King of Belgium is able to approve the establishment of a non-profit association that has its head office in Belgium. Once the decree is issued by the King, Article 50 of the same law stipulates that, the decree will then be communicated to the Federal Ministry of Justice of Belgium, which is empowered to grant legal personality. The legal personality is then granted as of the date the Royal decree was issued. For Complainant's purposes, legal personality was granted on 30 December 1986. As far as the name of the non-profit association is concerned, according to Article 48 of the Belgian law (L.2.5.2002) (Mon., 1.7.1921), 'the statutes should mention the naming, denomination of the non-profit international association and the

address of the company name'. The Complainant has a prior right under Belgian law of 1921, to both the full name Fédération des Experts Comptables Européens and the abbreviation F.E.E., as is explicitly stated in the Belgian Royal decree of 1986 and the Ministerial statement of 17 April 2005.

According to Article 11 paragraph 2 of EC Regulation No 874/2004, where the name for which prior rights are claimed contains characters or punctuations such as a full stop (paragraph 3), these shall be eliminated entirely from the corresponding domain name. In light of this provision, the Complainant, since it has a prior right under Belgian law to the full name Fédération des Experts Comptables Européens and to the abbreviation F.E.E, should be allocated the domain name FEE. This is confirmed by the fact that the Registry itself had recognized the prior right that the Complainant had to the name FEE, when it accepted the application of FEE during the Phase II of the Sunrise registration period.

According to Article 21(1)(a) of Regulation No 874/2004, 'a domain name is subject to revocation, using an extra-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 Community law, such as rights mentioned in Article 10(1), and where it: (a) has been registered by its holder without rights or legitimate interest in the name'. For the purposes of 21(1)(a), the disputed domain name is identical to the name of 'Fédération des Experts Comptables Européens' (F.E.E.) in respect of which a right is recognised by Belgian national law. Furthermore, the Complainant has a legitimate interest in its company name.

The Complainant has been commonly known by the name FEE. The Complainant is the representative organisation for the accountancy profession in Europe. FEE's membership consists of 44 professional institutes of accountants from 32 countries. FEE member bodies are present in all 25 Member States of the European Union and three member countries of EFTA. FEE member bodies represent more than 500,000 accountants in Europe. F.E.E. has consistently made legitimate and non-commercial use of this name both in its official documents and correspondence etc, but also as a domain name since their current website is www.fee.be.

Based on the fact that the current website of the Complainant is www.fee.be and that they are commonly known as FEE, the Complainant fears that the allocation of the disputed domain name to a third party, could cause misunderstandings for its customers and the general public and disrupt its professional activities.

It is also likely that the reputation of the name FEE, to which a right is established and recognised under Belgian law for the Complainant, can be harmed. This is likely to occur since Internet users may be misled by the domain www.fee.eu and think that this is the domain name of the Complainant.

B. RESPONDENT

Article 10 (1) of Commission Regulation (EC) No 874/2004 of 28 April 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. Pursuant to article 14 of the Regulation, it is up to 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. Section 21 (2) of the Sunrise Rules states that the validation agent shall examine whether an applicant has a prior right to the name exclusively on the basis of a prima facie review of the first set of documentary evidence it has received. Article 11 of the Regulation states that where the name for which prior rights are claimed contains special characters, such as an ampersand ("&"), these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible, rewritten.

Traffic Web Holding BV (hereafter "the Applicant") applied for the domain name FEE on January 27, 2006. The processing agent received the documentary evidence on March 3, 2006, which was before the March 8, 2006 deadline. The validation agent concluded from the documentary evidence that the Applicant was the holder of a prior right. Therefore, the Respondent accepted the Applicant's application.

The Complainant argues that when a trademark consists of an ampersand, the trademark may be transcribed pursuant to article 11 of the Regulation. However, the Complainant argues that the transcription is not correct and that the Applicant could have chosen to transcribe the trademark to "FE", "FANDE", "FETE", but not "FEE". The Complainant also argues that the Applicant has registered the domain name in bad faith.

The Applicant registered a trademark consisting of the following sign: F&E. Certain special characters, such as the ampersand, cannot be transcribed in a domain name for technical reasons. Article 11 of the Regulation provides in three options to come around that problem, either the special character must be (i) eliminated entirely; (ii) replaced with a hyphen; (iii) rewritten. The third option will of course only be open if the special character can be rewritten. Whereas the "~" character does not have an easy-to-use linguistic equivalent, the ampersand has. Thus when the special character is an ampersand, the applicant will be able to exercise any of the three

options.

In the case at hand, the Applicant chose to rewrite the ampersand, rather than eliminate it or replace it with a hyphen. The Applicant did this using by the word "E". "E" means "AND" in Italian/Portuguese and is thus a correct way to rewrite an ampersand. Indeed, Italian and Portuguese are official languages of the European Union. There is no rule which limits an applicant to rewrite the special character in a particular language. To that regard, the Respondent notes that the rationale for the .eu tld is to promote the European identity on the internet. Recital 6 of Regulation 733/2002 states that through the .eu TLD, the Internal market should acquire higher visibility in the virtual market place based on the Internet. The .eu TLD should provide a clearly identified link with the Community, the associated legal framework, and the European market place. It should enable undertakings, organisations and natural persons within the Community to register in a specific domain which will make this link obvious. Recital 7 of Regulation 733/2002 also states that the .eu TLD can accelerate the benefits of the information society in Europe as a whole, play a role in the integration of future Member States into the European Union, and help combat the risk of digital divide with neighbouring countries. As should be clear from these recitals, the .eu tld is an important tool in ensuring that the internal market is realized. The internal market is a concept which is wary of geographical and linguistic limitations. Such limitations would obviously be a bar to the further development of the internal market and should be avoided as much as possible. Therefore, it is the Respondent's understanding that the .eu tld should have the same wariness with regard to geographical and linguistic limitations. As the ampersand in the case at hand has been rewritten in one of the official languages of the European Union, the Applicant's application was accepted.

The Complainant in fact requests the application of article 21 of the Regulation, which is entitled "Speculative and abusive registrations". The Respondent does not agree with the Complainant's argument that the transcription would have been correct if it were done in English ("FANDE") or French ("FETE") whereas a transcription in Italian/Portuguese would not. It is not to the Respondent to examine whether the transcription in Italian/Portuguese leads to a situation of alleged bad faith registration and to ignore the intrinsic European character of domain names under the .eu tld. Article 3 of the Regulation indeed states that an applicant must certify that its registration is made in good faith. The Respondent may therefore rely on the good faith of the Applicant who chose to transcribe the ampersand in Italian/Portuguese.

Pursuant to article 22 (1) b of the Regulation an ADR procedure may be initiated by any party where a decision taken by the Registry conflicts with this Regulation or with Regulation (EC) No 733/2002. Article 14.7 of the Regulation provides that under the phased registration the Registry shall register the domain name if it finds that the applicant has demonstrated a prior right. Therefore, during the phased registration period, the decision by the Registry whether or not to register the domain name, can only be taken on the ground of the findings whether or not the applicant has demonstrated a prior right. There is no legal ground in the Regulation for the Registry 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. As there is no obligation under the Regulation for the Registry to assess the bad faith of the applicant and as article 22 (1) b states that a decision by the Registry can only be annulled when its decision conflicts with the Regulation, the Complaint must be dismissed. In case n° 00210 (BINGO), the Panel agreed that: The Complainant points to Article 22(1)(a) of the Public Policy Rules as allowing a party to initiate an ADR procedure where the registration is speculative or abusive within the meaning of Article.

However, such an ADR procedure would clearly envisage a procedure to which the holder of the domain name should be a respondent, not EURid. In case n° 00012 (EUROSTAR), the Panel also agreed that: With respect to a question whether or not the validation agent or the Registry are also obliged, before the decision on the registration of the domain name, to examine whether or not the application has been made in good faith, the Panel concluded that the Registry is not obliged to make such an assessment;(see also case n° 00210 (BINGO))

In the case of a speculative and abusive registration, ADR proceedings must be initiated against the domain name holder itself, not the Respondent, as the Panels inter alia in cases n° 532 (URLAUB), 382 (TOS), 191 (AUTOTRADER), 335 (MEDIATION) and 685 (LOTTO). Such ADR proceedings are still open to the Complainant.

With regard to the Complainant's request to have the domain name transferred, and merely for the sake of completeness, the Respondent would like to refer the Panel to article 11 (c) of the ADR Rules. Two conditions need to be met before the Panel may order the transfer of a domain name: (i) the Complainant must be the next applicant in the queue for the domain name concerned; (ii) the Registry must decide that the Complainant satisfies all registration criteria set out in the Regulation. The Registry must first assess, via the normal validation procedure, whether the Complainant's application satisfies the requirements of the Regulation. Therefore, should the Panel consider that the Registry’s decision must be annulled; the Complainant's transfer request must be rejected. For the reasons mentioned above, the Complaint must be rejected.

DISCUSSION AND FINDINGS

I. SPECIAL CHARACTERS IN THE TRADEMARK “F&E”

Article 11 of the Commission Regulation (EC) No 874/2004 of 28 April 2004 (“Public Policy Rules”) states that where the name for which prior rights are claimed contains special characters, such as an ampersand ("&"), these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible, rewritten.

The standard meaning of an ampersand is “AND” in English, but there is no rule limiting an Applicant to rewrite the special character in a particular language (ADR decision No 01239 PESA). According ADR decision No 00394 FRANKFURT, the ampersand can be rewritten by a “corresponding word in another language”. In this case, the Applicant decided to rewrite the ampersand (see below) which is the most logical way how this special character could be eliminated from the respective trademark.

The disputed domain name FEE.EU was registered by Traffic Web Holding BV (hereafter "the Applicant") on the basis of national trade mark “F&E” registered in Netherlands. As mentioned above, the Applicant transcribed the ampersand used in the trademark and did not choose to eliminate it nor replace with a hyphen. The Applicant used “E” as the transcription of the ampersand. The word “E” is an Italian or Portuguese translation of English word “AND”. As there is no limitation on the language used for the transcription of a special character in the Public Policy Rules, the way of transcription depends on the Applicant’s decision only, provided that such transcription uses an existing word from a real language. The fact that ampersand is usually translated as “AND” or “ET” cannot prevent it’s translation to other languages even if such translation leads to “one-character” word as “E”. Therefore, the Applicant’s transcription of the ampersand leading to registration of disputed domain name FEE.EU is a correct way to register a domain name based on the “F&E” trade mark.

Based on this reason, the Complaint must be denied.

II. SPECULATIVE AND ABUSIVE REGISTRATION

The Complainant requests the application of article 21 of the Regulation - "Speculative and abusive registrations" on the basis of bad faith of the Applicant registering domain name FEE.EU which is confusingly similar to the abbreviation (F.E.E.) of the Complainant’s name.

During the phased registration period, the decision by the Registry whether or not to register the domain name can only be taken on the ground of the findings whether or not the applicant has demonstrated a prior right in due time. There is no legal ground 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.

ADR proceedings based on “bad faith” (Article 22(1)(a) of the Public Policy Rules) of an Applicant must be initiated against the domain name holder itself, not the Registry – cf. ADR Decisions No 00532 URLAUB, 00382 TOS, 00191 AUTOTRADER, 00335 MEDIATION and 00685 LOTTO.

Based on this reason, the Complaint must be denied.

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	**Flip Jan Claude Petillion**

DATE OF PANEL DECISION 2006-08-18

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant disputed the registration of the FEE.EU domain name for which prior right was claimed on the basis of the registered national trade mark “F&E”. The Complaint was based on the following grounds:
(1) there were no prior rights of the Applicant to register domain name FEE.EU because of the wrong transcription of an ampersand (“&”) from the trade mark, which could be rewritten to result in either FANDE.EU or FETE.EU, but not FEE.EU.
(2) The Applicant made the application in bad faith.

Article 11 of the Commission Regulation (EC) No 874/2004 of 28 April 2004 states that where the name for which prior rights are claimed contains special characters, such as an ampersand ("&"), these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible, rewritten. The standard meaning of an ampersand is “AND” in English whereas the Applicant used “E” as the transcription of the ampersand. The word “E” is an Italian or Portuguese translation of English word “AND”. As in the Commission Regulation (EC) No 874/2004, there is no limitation on the language used for the transcription of a special character , the way of transcription depends on the Applicant’s decision only provided that such transcription uses an existing word from a real language. The fact that ampersand is usually translated as “AND” or “ET” cannot prevent it’s translation to other languages even if such translation leads to “one-character” word as “E”. Therefore, the Applicant’s transcription of the ampersand leading to registration of the FEE.EU domain name is a correct way to register a domain name based on the “F&E” trade mark.

During the phased registration period, the decision by the Registry whether or not to register the domain name can only be taken on the ground of the findings whether or not the Applicant has demonstrated a prior right in due time. There is no legal ground 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, ADR proceeding based on “bad faith” of an Applicant must be initiated against the domain name holder itself, not the Registry.

From the above mentioned reasons the Complaint is denied.