Panel Decision for dispute CAC-ADREU-001539

Case number	**CAC-ADREU-001539**
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Domain names	**setra.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Setra Group AB, Eva Åström**

Respondent

Organization / Name	**EURid**

FACTUAL BACKGROUND

An application to register the domain name <setra.eu> was made on 7 December 2005 at 11:03:00.374. The prior right was identified as a Registered Community / International Trademark on “Setra Group AB”.

The Applicant was identified as “Manager Domain” with street address “Marketing and Communications, SE-105 22 Stockholm, Sweden” and email address “domainmanager@setragroup.com”. A telephone and fax number were also provided.

The registrant technical contacts were identified as “Manager DNS” of Setra Group AB, with the same street address and the email address “dnsmanager@setragroup.com”. A telephone and fax number were also provided.

Evidence of the prior right was received by the Validation Agent on 10 January 2006. This comprised the cover sheet provided by the Registry, a “Note to PwC Validation Team” and a printout of an entry in the Community trademark register.

The cover sheet identified the Name of Applicant as “Manager Domain”; the Domain name applied for as “setra.eu”; the Name for which a prior right is claimed as “Setra Group AB”; and the type of prior right claimed as “Registered Community / International Trademark”. It was signed by a person whose position was given as “Client Service Adviser”.

The Note stated: “The representations and warranties as signed on the EURid coversheet to this application relate to the following name for which the prior right is claimed SETRA as supported by the documentary evidence attached to this application. The representations and warranties do not relate to the name Setra Group AB that is cited on the EURid cover sheet as “name for which prior right is claimed”. This was also signed by the same “Client Service Adviser”.

The printout showed that the Community trademark “SETRA” was registered in the name of Setra Group AB of Gardsvagen 18, 105 22 Stockholm, Sweden, in respect of various goods and services in classes 19, 35 and 40.

The application was the first for this domain name. A second application for the same domain name was made by EvoBus, also on 7 December 2005, at 11:03:20.462.

The first application was rejected by the Registry. The second application was accepted by the Registry. The Complainant seeks to have these decisions annulled.

A. COMPLAINANT

The Complainant contends that the first application should have been accepted, notwithstanding what it describes as "two data consistency issues". According to the Complainant, these are merely clerical/administrative errors, which are immaterial in terms of observing the overall requirement that the Sunrise Period should "safeguard prior rights recognised by Community or national law" as indicated by Recital 12 of Regulation 874/2004, and which do not affect the fact that the application complies with article 3 of that Regulation.

The first issue identified by the Complainant relates to the entry of its name "Setra Group AB" in the "prior right on" field, instead of "Setra". The Complainant points out that this is not one of the material inaccuracies specified in article 3 of Regulation 874/2004. Alternatively, if the application is incorrect, it can be corrected.

The complete application comprises the original electronic filing and the documentary evidence, from which it is clear that the domain name contains the complete trademark of the Complainant.

The Sunrise Rules must be in accordance with article 3 of Regulation 874/2004 and could not create a further class of material inaccuracy not set out in article 3. Case-law of the European Court of Justice, such as Biogen v SmithKlineBeecham shows that an immaterial defect is not a bar to registration if the substance is complied with.

Similar errors have been considered immaterial in other applications which have been accepted by the Registry, where the validation agent has exercised its discretion to conduct its own investigations under article 21(3) of the Sunrise Rules. The validation agent has indicated in "FAQs" on its website that it will show some flexibility in relation to "obvious incorrect information mentioned in certain fields (such as the name of the organisation in the field 'Prior Right on Name')".

The second "data inconsistency" identified by the Complainant was caused by filling in the "Applicant Name" field but not the "Applicant Organisation" field. However, the Applicant Organisation's name was listed in the "Prior Right on Name" field and all the contact information in the Applicant section of the electronic application corresponded to the documentary evidence, which clarified the "Applicant Name". The documentary evidence should be viewed together with the electronic application to form the whole application. It is clear that the entity holding the trademark rights in the name SETRA is also the entity applying for the corresponding domain name.

This should also be deemed an immaterial error and treated with the same flexibility as other applications where the organisation field was not completed. Reference is again made to the Validation Agent's "FAQs" where it says that it will show flexibility in relation to "obvious incorrect information mentioned in certain fields ('N/A' or 'NULL' in the field 'Organisation')". The Complainant draws attention to a number of other cases where discretion has been exercised in favour of applicants and submits that it should be shown a similar degree of flexibility.

The Complaint concludes by reiterating the purpose of the Sunrise Process of safeguarding prior rights recognised by Community or National law, as recognised in Recital 12 to Regulation 874/2004 and Case No. 143 (VITANA). Accordingly, the decisions rejecting the Complainant's application and accepting the next application should be annulled.

B. RESPONDENT

The Respondent first points out that it is not responsible for mistakes made by the Complainant's registrar.

The Respondent contends that the mistake was material. According to the Respondent an immaterial mistakes are small, easily verified and relate to information of less importance. It submits that naming the applicant as "Manager Domain" instead of "Setra Group AB" fell foul of each of these criteria.

As to the first criterion, the respective names are totally different.

As to the second, the name of the applicant is not easily verifiable in the application process. The documentary evidence only identifies the owner of the prior right. The validation agent is required to verify that this is the same as the applicant, which it cannot do if the applicant is not correctly identified. Furthermore, in this case, the Note attached to the cover sheet did not correct the mistake in the name of the applicant.

As to the third, the name of the applicant, the name of the holder of the prior right and the validity of the prior right are of great importance to the validation required by article 14(7) of Regulation 874/2004. Moreover, neither the validation agent nor the Respondent can change the details in the Whois register.

The Respondent has no obligation to examine the application further. As stated in Case No. 127 (BPW), Article 21(3) of the Sunrise Rules merely permits the validation agent, at its sole discretion, to conduct its own investigations, and the burden of proof remains on the applicant.

The Respondent also refers to Case 894 (BEEP) where it was observed that the Rules and Regulations must be applied strictly, since exceptions allowing the submission of additional evidence after the forty day period would affect the legitimate expectancy of the next applicant in line and conflict with the first-come, first-served principle set out in article 14 of Regulation 874/2004.

The Respondent considers that accepting the Complaint in this case would damage the legitimate expectations of the next applicant in the queue which made a correct application a mere 20 seconds later.

DISCUSSION AND FINDINGS

In accordance with Article 22(11) of Regulation 874/2004, the Panel must decide whether the decisions of the Registry in question conflict with this Regulation or Regulation 733/2002. It is not the function of the Panel to consider the application of the “Sunrise Rules”, and the Panel adopts the illuminating observations in this regard in the decision in Case 1071 (ESSENCE).

Article 3 of Regulation 874/2004 provides that “The request for domain name registration shall include … (a) the name and address of the requesting party …”. It goes on to say, “Any material inaccuracy in the elements set out in points (a) to (d) shall constitute a breach of the terms of registration”.

However, the Regulation does not clearly specify the consequences of a breach of the terms of registration. The final paragraph of Article 3 states that “Any verification by the Registry of the validity of registration applications shall take place subsequently to the registration at the initiative of the Registry or pursuant to a dispute for the registration of the domain name in question, except for applications filed in the course of the phased registration procedure under Articles 10, 12, and 14”.

Article 20 provides that “the Registry may revoke a domain name at its own initiative and without submitting the dispute to any extrajudicial settlement of conflicts, exclusively on the following grounds … (c) holder’s breach of the terms of registration under Article 3. The Registry shall lay down a procedure in accordance with which it may revoke domain names on these grounds. This procedure shall include a notice to the domain name holder and shall afford him an opportunity to take appropriate measures.”

The Panel understands this to signify that a breach of the terms of registration under Article 3, such as a material inaccuracy in the name of an applicant, does not result in automatic revocation in an ordinary case; instead the applicant is to be afforded an opportunity to take appropriate measures.

The proviso at the end of Article 3 confirms that the validity of applications filed in the course of the phased registration procedure may be investigated before registration. However, it does not detract from the principle recognised in Article 20, that a breach of the conditions of registration does not necessarily void an application.

Regulation 874/2004 clearly differentiates between the application and the subsequent provision of documentary evidence showing that the applicant is the holder of a prior right under the 4th paragraph of article 14. Accordingly, it is necessary to consider in the first instance whether the application by itself complied with Article 3 and, if not, whether the Registry was right to reject the application on that ground alone.

The Panel accepts that the true applicant was the Complainant, in that the evidence confirms that the application was submitted on behalf of the Complainant. The application does contain the applicant's name, but not in the field for the applicant's name, which contains a quite different name.

In the Panel's view, the name of the applicant in the application must be regarded as the name in the field provided for that purpose. In this case, the name provided was inaccurate. Furthermore, the Panel considers that the inaccuracy in this case must be regarded as material. The name given was quite different from the correct name, and the identity of the true applicant is by no means obvious if the application is considered, as it must be, by itself.

However, it is still necessary to consider whether the Registry was right to reject the application on this ground alone. In the Panel's view, the Registry was not right to do so, since the inaccuracy was inadvertent and could have been rectified by clarifying the true position, for example in the documentary evidence which was to be filed under article 14(4).

Had the true position been clarified in the documentary evidence within the time period specified in that article, there would have been no real prejudice to other parties or the efficient operation of the procedure. The Panel rejects the Respondent's suggestion that the next applicant in the queue had a legitimate expectation that the first application would fail. Even if the true identity of the first applicant was not clear, the next applicant should have suspected that it was intended to be the Complainant, which was registered as the proprietor of a Community trade mark corresponding precisely to the domain name.

The Panel is also surprised by the Respondent's suggestion that it has no power to correct the Whois database. On the contrary, in the Panel's view, the Respondent has an obligation to further the objective of providing a Whois database which is reasonably accurate and up to date in accordance with article 4 of Regulation 733/2002 and article 16 of Regulation 874/2004. This should include providing a means of enabling an applicant or registrant to correct or update information on the database.

Nevertheless, the position as to the identity of the Applicant was not in fact clarified by the documentary evidence in this case. On the contrary, the Note included in the documentary evidence failed to correct the indication in the application and the cover sheet that the applicant was "Manager Domain". In these circumstances, the Panel considers that the validation agent was right to conclude that it had not been shown that the applicant was the holder of a prior right in accordance with Article 14.

It is clear that Article 14 of Regulation 874/2004 imposes a burden of proof on the applicant: the first paragraph refers to claims being "verifiable by documentary evidence which demonstrates the right"; the fourth to the submission of "documentary evidence that shows that he or she is the holder of the prior right claimed"; the seventh to the validation agent finding "that the documentary evidence does not substantiate a prior right"; the tenth to the Registry finding "that the applicant has demonstrated a prior right".

The evidence did not substantiate that the applicant was the Complainant and hence that it owned the Community trademark relied upon. Even if an inference could be drawn from the common addresses in the application and the trademark registration, it did not follow that the "Manager Domain" referred to in the application was intended to be the same company.

The Panel has accordingly concluded that the Registry was bound to reject the application in accordance with paragraph 9 of Article 14. Furthermore, in the absence of any correction of the application during the period provided by paragraph 4 of Article 14, rejection on the ground of non-compliance with article 3 was also justified, since permitting a subsequent

correction of the application would compromise the procedure and timetable laid down by Article 14.

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	**Jonathan Turner**

DATE OF PANEL DECISION 2006-08-17

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant filled in the “Applicant Name” field as “Manager Domain” but failed to fill in the “Applicant Organisation” field in the online application, with the result that the applicant was incorrectly identified as “Manager Domain”. The Complainant also filled in its full name instead of its trademark in the “Prior Right On” field.

A Note included with the documentary evidence corrected the latter, but not the former, mistake. The Registry rejected the application and accepted the next application in the queue.

The Panel considered that the inaccuracy in the Applicant Name was material but that it could have been corrected in the documentary evidence and did not automatically invalidate the application. However, it had not been corrected in the documentary evidence with the consequence that rejection was justified under both article 3 and article 14 of Regulation 874/2004.