Entscheidung der Schiedskommission for dispute CAC-ADREU-001566

Case number	**CAC-ADREU-001566**
Time of filing	**2006-06-02 10:51:09**
Domain names	**airlintickets.eu, creditreport.eu**

Case administrator

Name	**Josef Herian**

Complainant

Organization / Name	**Handys Ltd.**

Respondent

Organization / Name	**EURid**

ANDERE RECHTLICHE VERFAHREN

The Panel has not been made aware of any other legal proceedings that are pending or decided and relate to the disputed domain names.

SACHLAGE

On December 7, 2005, the first day of the Sunrise Period, the Complainant lodged applications for domain names airlinetickets and creditreport. The Complainant relied upon trademarks registered with the Benelux Trademark Office under Benelux Trademark Law of January 1970.

The figurative trademarks relied upon, AIRLINETICKETS and CREDITREPORT respectively, are identical to the domain names applied for. According to the Certificates of Registration verified by the Registry's Validation Agent, the effective date of validity is December 5, 2005, that is to say just two days prior to the Sunrise Applications for the domain names. Of particular note however is that December 5, 2005 is also the date upon which the trademarks were applied for, whereas according to the Certificates the date of "registration" (without drawing any conclusions on the use of that word) was December 14.

The Registry rejected these applications on the grounds that at the time the were made (namely, December 7, 2005), the trademarks relied upon were mere applications and therefore did not constitute Prior Rights as required by the Sunrise Rules.

The Complainant commenced this Complaint on the basis that the Registry's decision, or the Sunrise Rules themselves, are in violation with the .eu Regulation and the Benelux Trademark Law (BTL).

The kernel of the Complainant's case is that under the BTL, if the Benelux Trademark Office accepts an application for a trademark then that trademark is effective and enforceable from the date of application. Whilst this means that the effect of the decision to register is retroactive, the Complainant suggests that this is the clear intention the BTL that it should be so. The Complainant points out that a trademark that is in full force and effect as at the date of an application for a domain name should constitute a valid Prior Right for the purposes of the Sunrise Rules.

In response, the Registry points to a proviso in the Sunrise Rules allowing applications on the basis of Prior Rights. According to Section 11(3), trademark applications shall not be considered to be a Prior Right.

A. BESCHWERDEFÜHRER

The Panel summarises the Complainant's Complaint in the following points:

- The trademarks were filed, obtained and were effective as of December 5, 2005, whereas the applications were made December 7, 2005.

- Documentation evidencing the purported Prior Rights was submitted in good time.

- The Registry has approved three other domain name applications (golfvactions, orgy, name) having accepted in each case the same documentation as in the present case.

- The Registry's rejection is in violation of the .eu Regulation, which expressly incorporates the relevant laws of the Member States (for example, Preamble 12: "in order to safeguard prior rights recognised by Community or national law etc..."; Premable 16: Registry to adopt best practices in particular those of WIPO).

- According to Article 2(2) of Regulation 874/2004, specific domain names shall be allocated for use to the eligible party whose request has been received first by the Registry in accordance with Regulation 874.

- According to Article 10 (4) thereof, 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 right exists. And Article 10(6) provides Applicants are required to submit documentary evidence that shows that he or she is the holder of the prior right, and the relevant validation agent shall assess whether the applicant first in line that has submitted the evidence before the deadline has prior rights on the name.

- The express language of the Regulations establishes a series of conditions: application, submission of documentary evidence. The Regulations do not state that the documentary evidence must establish that the applicant has Prior Rights as of the date of the application. The European Regulations require only that the documentation shows that the applicant has a prior right.

- The Complainant's applications are in compliance with the .eu Regulations and relevant Sunrise Rules.

- The Sunrise Rules are in conflict with the .eu Regulation because of the narrower requirement that the applicant be the holder of the Prior Right claimed no later that the date on which the Application is received by the Registry.

- The BTL provides that the registration of a trademark lasts for ten years from the date of the application. Any post-filing investigation is limited to scope. WIPO and professionals in the area take the view that trademarks are effective upon the date of filing. Furthermore, according to the Benelux Trademark Office website, the first line of text on a Registration Certificate indicates the registration number, the processing number and the date and hour of deposit and registration.

- When the Registry viewed the Documentary Evidence, the Prior Right existed as a matter of law. It should have consulted the BTO website because this is the equitable thing to do.

And following receipt of Response the Complainant made the additional points:

- The Registry's position ignores the BTL.

- Decisions cited by the Registry can be distinguished from the present complaint.

- To conclude that the date of registration is December 14, 2005 is incorrect as a matter of law.

- The Registry has an obligation to conduct a reasonable investigation, as concluded by a number of Panelists.

- The Sunrise Rules must and shall at all times be subservient to the Regulations. The Regulations do not require an absolute prior right as of the date of application. Rather as of the date of submission of the Documentary Evidence, the applicant must have a Prior Right.

- The language of national laws must be given their plain and ordinary meaning. Thus the retroactive nature of the Benelux Trademark Laws must also be applied as such.

- The concept of justice and fair play should act as strong guidance.

B. BESCHWERDEGEGNER

The Registry made a number of detailed points which the Panel summarises as follows:

- The Trademarks were registered on December 14, 2005, and so the Complainant only held a trademark application on the date of the domain name application.

- The Documentary Evidence does not prove that the Complainant owned a registered trademark.

- It is widely accepted by ADR panels that an applicant should comply with the Sunrise Rules. Indeed in the letter of application the applicant acknowledged that the Rules had been read and approved without reservation.

- In other ADR proceedings brought by the Complaint in identical circumstances, Panels have concluded that the trademarks were applied for on December 5, 2005 but were registered on December 14, 2005.

- Whilst an application of a trademark may confer some rights on the applicant (for example, priority rights), such rights do not constitute Prior Rights in the context of the Regulation and are thus irrelevant when assessing a .eu domain name application.

- The Sunrise Rules do not conflict with the .eu Regulation. The Rules contain administrative detail that further clarify the intention of the Regulation, and are of great importance in the assessment of a domain name application.

- Article 12(2) of the .eu Regulation states that only registered national and Community trademarks may be applied for as domain names.

- The Sunrise Rules do not conflict with the Benelux Trademark Act, as the scope and purpose of the Rules (as exemplified by the first-come, first-served rule) are different from those of the Act.

WÜRDIGUNG UND BEFUNDE

1. Administration and Admissibility

It is noted that domain name "airlinetickets" is misspelt as "airlintickets" in the title to this Proceeding, and this should be amended. The error does not affect the admissibility of the Complaint.

This Proceeding involves two domain names. There is no express permission in the .eu Registration Policy and Terms and Conditions for Domain Name Applications made during the Phased Registration
Period ("Sunrise Rules") or elsewhere. However it is well established in Alternative Dispute Resolution proceedings that remedies may be sought in relation to two or more domain names. In fact it is noted that the standard forms used to lodge a complaint and verification provide for multiple domains to be cited. Accordingly, the Panel concludes that the Complaint is

admissible.

2. Discussion and Findings

The Panel accepts as a cornerstone to its findings that the Sunrise Rules must be interpreted in accordance with the .eu Regulation. Even if the Rules have been adopted with the endorsement of the European Commission, they are not legislative instruments, and thus must be treated accordingly. Possibly they do not form part of the acquis Communautaire. On the other hand, as the Rules are administrative in nature, if one accepts the notion that in some certain respect the Rules are more narrow in their application than the Regulation, it still falls to the Panel to consider what reasonable interpretation can be applied to the Regulation in order to achieve a level of administrative detail necessary for the proper registration of names in the .eu namespace.

The Panel also accepts that the Sunrise Rules must be interpreted in such a way so as not to conflict with a national trademark law. The Panel takes this view without the benefit of receiving learned argument, but the premise for it is the logical consequence of a national law (the BTL) being in compliance with relevant EU law (Trademark Directive): the Rules must respect the application and scope of a national law that is compliant with EU law. In this case it is not suggested that the BTL is at variance, either generally or specifically, with the Trademark Directive or, for that matter, the .eu Regulation.

However, the Panel concludes that if the Sunrise Rules are in compliance with the .EU Regulation, it will not conflict with the BTL, because the Regulation and the BTL are themselves compatible.

According to Trademark Directive 89/104/EEC, a registered trade mark confers on the proprietor exclusive rights to prevent all third parties not having his consent from using in the course of trade any sign which is identical (or confusingly similar) with the trade mark in relation to goods or services which are identical (or similar) with those for which the trade mark is registered.

It can be noted that registering a domain name which is identical to a registered trade mark is arguably not, according to the Directive, an infringement of the proprietor's rights because of the requirement that the mark be used. Of course mere registration of a domain may amount to misuse of a trade mark, but there is the further requirement that use must be in relation to goods or services which are identical. This makes the possibility of infringement by virtue of mere registration more remote under the Directive, and therefore the BTL.

Whereas, the protection that trademark proprietors receive in relation to the registration of domains is established by the .eu Regulation itself and the concept of Prior Rights. Article 10(1) of the .eu Regulation provides: '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 effect of Article 10 is domain names to be granted exclusively during the Sunrise Period to applicants in possession of Community or national trade mark rights. In this Panel's opinion the result is that one system established by law (that is the .eu Regulation) relies upon another system established by law (that is the protection of trade mark rights), and that neither system expressly attempts to regulate the other. On this basis the Panel cannot accept that there is any manner of conflict between the Rules (as giving effect to the .eu Regulation) and the BTL in the context of this Proceeding.

Therefore, the only avenue left is to consider is whether the Sunrise Rules are at variance with the Regulation. If they are then possibly the Rules may be in conflict with the BTL.

Theoretically, there may be a variance because the Rules are more detailed that the Regulation. In particular, whilst the Regulation makes no distinction between types of trademark, the Rules do, in that Sunrise Rule 11(3) provides that trademark applications shall not be considered to be a Prior Right. As observed by both parties, within established trademark law, a trade mark application does confer on the holder certain rights, but these rights are less that the full rights obtained on

registration. So the principle that a trademark application has an inferior status is already established. And this status is indeed reflected in Sunrise Rule 11(3) which effectively states that within the context of the .eu Regulation, a trademark application has no rights.

The question begs therefore, is the Registry entitled to take the position set out in the Sunrise Rules? This Panel finds that it is.

The Complainant is now in possession of trade mark rights in relation to the domain names, airlinetickets and creditreport. And whilst these are enforceable as from December 5, 2005, from December 5 to December 14 they had, at the time, a status that was no higher than pending application. Had the Complainant discovered an infringement of his mark during those ten days, he would have had a putative action for infringement, which he could not effectively enforce until de facto registration had taken place. Thereafter, he would be relying upon the system of trademark protection within the Benelux customs union to enforce rights with the force of law in each of the Benelux member states against an infringement within that territory that is unlawful.

This Panel does not find that the Registry is required to give the Complainant a level of protection that is better that one conferred by the law under which he was seeking to establish a trade mark right. The fact that the Documentary Evidence was reviewed after December 14 cannot alter that position. The Panel does not accept that the Sunrise Applications are made with effect from the date of validation; on the contrary, validation is a “snap-shot” view of the moment of application. In this regard the Complainant has ingeniously inverted the analysis to serve his argument. The time given to applicants to submit their evidence is an allowance extended to all trade mark holders to ensure that the Sunrise Period operates as efficiently as trade mark holders require. Those who do not have trademarks at the time of application will not benefit from the additional protection that the period allows.

The Panel finds that using the date of application as the defining moment in the process of application is permissible within the scope, application and interpretation of the .eu Regulation. Whilst Article 10 may not expressly state it, it is inherent to the principle of first come, first served. How else should the .eu Regulation define what intellectual property rights should constitute prior rights than as at the date of application? To choose any later date would compromise the first come, first served principle, and to choose the date of validation would infringe Article 10(1) which provides that 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. Furthermore, this connection between holding of de facto trade mark right and the point of application is made several times elsewhere in Article 10.

The Panel therefore concludes that had the Sunrise Rules not respected that connection then they would be in conflict with the Regulation. In fact, in the final analysis, taking the date of application as the effective date of validation is both fair and equitable; and fairness and equity are critiera that the Complainant submits should act as strong guidance when determining this Proceeding.

In conclusion the Panel does not accept the Complainant’s key submissions that Sunrise Rule 11(3) is in conflict with the .eu Regulation, or that the Registry ought to have decided the Complainant’s application as at the time of validation. Moreover, in accordance with the first come, first served principle, the Registry was required to consider the existence of prior rights as at the date of application. At this time, the Registry would have found, as it subsequently did, that the Complainant was only in possession of a trade mark application. The application was correctly refused.

Separately, the Complainant sought interim relief from this Panel ordering that the Registry’s decision to approve the reservation of creditreport to another applicant (DIDI Trade and Distribution (BVBA) be annulled or held in abeyance. No interim decision was communicated to the parties by this Panel because of the clear view held by it that the Panel does not have power to grant the relief unless the Panel has already found for the Complainant. So for present purposes, the Panel dismisses that application.

ENTSCHEIDUNG

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

Complaint is Denied

PANELISTS

Name	**Joseph DALBY**

DATUM DER ENTSCHEIDUNG DER SCHIEDSKOMMISSION 2006-08-23

Summary

EINE ENGLISCHSPRACHIGE KURZFASSUNG DIESER ENTSCHEIDUNG IST ALS ANLAGE 1 BEIGEFÜGT

When the Complainant applied for the domain names in question, he relied upon trademarks applications under the Benelux Trademark Law that had yet been registered. By the time of Validation the trade marks had been registered. The Benelux Trademark Law provides that trademarks are valid with effect from a date of application. The Registry refused to accept the retrotactive effect of the trademarks.

The Complainant submitted that by not treating its trademarks as Prior Rights, the Registy's decision or the Sunrise Rules were in conflict with either the .eu Regulation or the Benelux Trademark Law. The Registry defended Sunrise Rule 11(3) excluding trademark applications from the concept of Prior Rights.

The Panel found that the .eu Regulation and the Benelux Trademark Law were compatible with each other. The Regulation respected the Law whilst protecting Benelux Trademarks and the Law did not regulate the granting of domain names. Moreover, Sunrise Rules in relation to Prior Rights were within the scope, application and interpretation of the Regulation, particular the first come, first served principle. It was both fair and equitable to assess trademarks at the moment of application rather that at the date of validation. In fact to do otherwise would breach the first come, first served principle.

The Complainant was therefore dismissed.