

Panel Decision for dispute CAC-ADREU-001612

Case number **CAC-ADREU-001612**

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Domain names **acer.eu**

Case administrator

Name **Tereza Bartošková**

Complainant

Organization / Name **ACER Europe B.V., ACER Europe B.V. ACER Europe B.V.**

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

None that the Panel is aware of.

FACTUAL BACKGROUND

On December 21, 2005, 13:36:20.811, the Complainant has filed an application to register the disputed domain name "acer.eu". The application took place during the so called "Phase I", i.e. the first part of the phased registration ("Sunrise") period. The Complainant's application was second out of three to be received by the Respondent (EURid) for the domain name. As the first in the ranking has not managed to file the necessary documents in time, the Complainant got the first position in this registration process.

The Complainant claimed that it has a prior right on the term "ACER" because of a registered national trademark and submitted as documentary evidence via his Registrar VeriSign Digital Brand Management Services the Community trademark application 004373239 "ACER" and a licence declaration (stating, that the Complainant is licensee of the "registered" trademark). The documentary evidence was received by the Respondent on January 7, 2006, which was before the January 30, 2006 deadline. Following an assessment of the documentary evidence by the Validation Agent, the Respondent rejected the Complainant's application for domain name.

On May 30, 2006, the Complainant filed his Complaint with the Czech Arbitration Court. On June 06, 2006, the Respondent submitted a Nonstandard Communication containing its answer to the request for verification and, as an attachment, the documentary evidence filed by the Complainant in support of his application. On July 25, 2006, the Respondent submitted its Response to the Czech Arbitration Court. On August 3, 2006, having received the Statements of Acceptance and Declaration of Impartiality, the Czech Arbitration Court appointed the members of the panel, to which the case file was transmitted on August 7, 2006.

A. COMPLAINANT

The Complainant contends the following:

ACER EUROPE B.V. (Complainant) as regional hub for the EU of the ACER-Group is a company organized under the laws of the Netherlands with seat at 's-Hertogenbosch, Netherlands. The rights of ACER Europe B.V. including the rights in the company's short denomination "ACER" are protected by virtue of Articles 5 and 5a of the Dutch Trade Name Act. ACER EUROPE B.V. is a fully owned subsidiary of Acer Inc., which in turn is part of the global ACER Group. The Complainant and its sister companies have registered the group's name "ACER" as country code Top-Level Domain names (ccTLD) in many countries. The global site is to be found under the TLD "acer.com". ACER Inc. owns also a plethora of registered trademarks "ACER" worldwide the use of which is licensed to its local or regional affiliates as needed for their commercial activities.

The Complainant instructed Verisign Inc. to secure the domain "acer.eu" for it under the EU Sunrise Policy. Verisign Inc. was provided with copies of several Community Trademarks registered in the name of ACER Inc. and the corresponding License Declarations for a Registered Trademark forms. When investigating the causes of the rejection, the Complainant found out that Verisign had not acted in accordance with its instructions in regard to the registered trademarks on which the application was to be based. Rather, Verisign Inc. had arbitrarily selected the Community trademark application 004373239 "ACER" and submitted it as evidence under the .eu Sunrise Rules to the Respondent. The Complainant is despite these facts of the opinion that the requirements for registration were nevertheless met by Verisign Inc. acting on its behalf.

The filing date of CTM 004373239 was April 5, 2005, publishing date was September 26, 2005 and registration date was March 3, 2006. The Complainant contends therefore that rights could be derived from this CTM against all identical or similar trade marks or trade designations that are younger than April 5, 2005. Furthermore, when the application for the domain in question was rejected on April 28, 2006, the CTM had already been registered and in force. The Complainant falls therefore according to its opinion within the group of prior rights holders that should benefit from the Sunrise Policy in accordance with ground No 16 of Regulation Nr. 733/2002 and Ground Nr. 12 of Regulation 874/2004.

According to the Complainant it must also be considered that the documentary evidence required by Art. 14, para. 1 and 4, of Regulation 874/2004 was submitted in due time and that the documentary evidence required by Art. 14, para. 1 and 4, shows the existence of a prior right as defined in Art. 10 (1) of Regulation 874/2004. Pursuant to Art. 10 (1), 2nd subparagraph, prior rights include registered national and community trade marks, unregistered trademarks, trade names etc. The above-mentioned Rules and Regulations do not expressly address pending trademark applications, so the Complainant means that they contain a lacuna in this regard, which must be filled in accordance with the purpose of the Regulations.

The Complainant contends also that on November 10, 2005, CTM 004373239 had been examined for absolute ground of refusal and that it had therefore already been found protectable and allowed. And it had already been published for opposition on September 26, 2005. According to the Community Trade Mark Regulation the mark was to be published without any further Substantive examination step in the event that no opposition was filed within a three month period as of publication. This period did expire on December 26, 2005. According to the Complainant it was therefore evident that CTM 004373239 would be registered shortly after that date and that this duly acquired legal expectancy evidenced by the submitted documents would fall within the inter alia definition of prior rights. Accordingly, as early as October 11, 2005, CTM 004373239 should have been considered as prior right in the sense of Art. 10 (1), 2nd subparagraph, of Regulation 874/2004. Finally, CTM 004373239 "ACER" was registered on March 3, 2006, i.e. long before the decision to reject ACER's application was rejected. As the Complainant had also submitted the documentary evidence showing that it was licensee of CTM 004373239, it is of the opinion that the validation agent had wrongly notified the Respondent that prior rights had not sufficiently been shown and the Respondent had wrongly rejected the application of ACER Europe B.V. for "acer.eu"

The Complainant furthermore pointed out that subsidiarily, the vested legal expectancy evidenced by the online database extract of CTM 004373239 "ACER" should be treated in the same way as a non registered trademark with the documentary evidence being submitted from the verifiable database of a Community Authority (OHIM) being fully sufficient. And as any person any time was able to consult the actual Status of the CTM real-time online without any effort and at no cost and as an examiner is entitled under the Sunrise Rules to make investigations, omitting an examination if the application would in the meantime have matured to registration by the examiner was according to the Complainant a negligent omission.

In the circumstances, the remedy sought by the Complainant is the annulment of the decision of the Respondent to reject his domain name application, and the attribution of the domain name to the Complainant.

B. RESPONDENT

The Respondent contends the following:

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. Article 14 (4) of the said Regulation states that every applicant must submit documentary evidence that shows that he or she is the holder of the prior right claimed on the name in question. The prior rights referred to in article 10 (1) of the Regulation include, inter alia, registered national and community trademarks. Article 13.1 (ii) of the Sunrise Rules expressly provides that trademark applications shall not be considered to be a prior right.

The documentary evidence submitted by the Complainant included an extract from the German Trademark and Patent Office evidencing that the Complainant had applied for a trademark on the ACER sign on April 5, 2005. As the Validation Agent concluded that the Complainant's documentary evidence only demonstrated that he held a trademark application on the ACER sign on the date of domain name application, and not a registered trademark as required by article 10 (1) of the Regulation, the Respondent rejected the Complainant's application.

The Complainant argues that its registrar filed the wrong documentary evidence with the Complainants' application and argues that it cannot be blamed for this mistake. It must be noted that the Respondent and a registrar are two different entities in the framework of the registration process. The Respondent cannot be held responsible for mistakes which a registrar has made. Indeed, article 22 (1) b of the Regulation states that an ADR procedure may be initiated by any party where a decision taken by the Respondent conflicts with the Regulation or with Regulation (EC) No 733/2002. In the case at hand, the mistake was made by the Complainant's registrar, not by the Respondent. The documentary evidence submitted by the Complainant clearly noted that the Complainant did not own a registered trademark at the date of domain name application. The Complainant does not even dispute that he only held a trademark application at the date of his domain name application. Contrary to the Complainant's assertions, the Regulation and Sunrise Rules clearly and expressly provide that only registered trademarks may be taken into account by the Respondent when assessing a domain name application. The Respondent's decision was according to its opinion therefore correct and may not be annulled as a result of an error made by the Complainant's registrar.

DISCUSSION AND FINDINGS

The central question of the case is whether a domain name application based on a trademark application which subsequently becomes registered prior to the decision of the Registry rejecting the domain name application, was in accordance with the applicable EC Regulations, and therefore the Respondent's decision to reject the application was not in accordance with the Regulations. According to Art. 22 (1) (b) Commission Regulation (EC) No 874/2004 (Public Policy Rules) a party is, following the decision by the Respondent to reject a domain name, entitled to initiate an ADR proceeding against the Registry on the grounds of non-compliance of that decision with the Regulations under Article 22 (11). Such an ADR proceeding against the Registry is limited to the question of whether or not the decision taken by the Registry conflicts with the Public Policy Rules or the Regulation 733/2002.

The Domain Name "acer.eu" was applied for by the Complainant during of "Phase I", i.e. the first part of the phased registration ("Sunrise") period. The purpose of the phased registration period is according to statement 12 of the Public Policy Rules inter alia "...to safeguard prior rights recognised by community or national law." Article 12 of the Public Policy Rules sets out the principles for phased registration and states that under Phase I Sunrise "...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 as well as names based on all other prior rights can be applied for as domain names by holders of prior rights on those names."

Article 10 (1) of the Public Policy Rules states 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 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, company names" etc.

Article 14 of the Public Policy Rules states that all 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. 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. Paragraph 4 of Article 14 of the Public Policy Rules makes it clear that it is up to the domain name applicant to substantiate ownership of the prior right.

Article 12 (1) of the Public Policy Rules states, that the Registry (i.e. the Respondent) shall publish on its website a detailed description of all the technical and administrative measures that it shall use to ensure a proper, fair and technically sound administration of the phased registration period. These measures have been set out in the Sunrise Rules.

According to Section 11 of the Sunrise Rules only domain names that correspond to either registered Community or national trade marks or geographical indications or designations of origin may be applied for during the first phase of the Phased Registration Period by the holder and/or licensee of the prior right concerned. During the second phase of the Phased Registration Period, Domain Names that correspond to the types of prior rights listed in Section 11 (1) or other types of prior rights may be applied for by the holder of the prior right concerned. The applicant must according to Section 11 (3) be the holder (or licensee) of the prior right claimed no later than the date on which the application is received by the Registry, on which date the prior right must be valid, which means that it must be in full force and effect.

Section 13 (1) (i) states that where the prior right claimed by an applicant is a registered trade mark, the trade mark must be registered by a trade mark office in one of the member states, the Benelux Trade Marks Office or the Office for Harmonisation in the Internal Market (OHIM), or it must be internationally registered and protection must have been obtained in at least one of the member states of the European Union. Section 13 (1) (ii) of the Sunrise Rules expressly states that a mere trade mark application is not considered a Prior Right. Section 13 (2) of the Sunrise Rules states that it is sufficient to submit as documentary evidence for a registered trade mark inter alia an extract from an official (on-line) database operated and/or managed by the OHIM.

Complainant's documentary evidence contained an extract from the OHIM database showing that a CTM "ACER" has got the trademark Nr. 004373239 and was filed on April 5, 2005. The status of the trademark according to this filed document was "application published". It is therefore clear, that the OHIM database extract supplied by the Complainant failed to substantiate a legally valid prior right for the reasons set out below.

Further, the OHIM database extract also details the date of publication of the CTM application as being September 26, 2005. Under Council Regulation (EC) No 40/94 of December 20, 1993 on the Community trade mark (CTMR), and in particular Article 42 CTMR, there is a provision for a 3 month CTM opposition period from date of publication of the application in the Community Trade Mark Bulletin, during which time a CTM application may be opposed on the relative grounds for refusal. It is only following this 3 month period, and where no notice of opposition has been filed (or all oppositions have been rejected), that a CTM application may proceed to registration, on payment of the registration fee (Article 45 CTMR). Accordingly, as the publication date was September 26, 2005, then at the precise date of the domain name application, December 21 2005, the Complainant's CTM application would still have been in the 3 month opposition period and could not have been considered by the validation agent to be a valid registered right that was in full force and effect. The Complainant itself admits that the CTM 004373239 "ACER" was registered on March 3, 2006, more than two month after the application for the disputed domain name.

It is widely accepted, inter alia by the Panels in case Nr. 119 "NAGEL" and case Nr. 404 "ODYSSEY", that an applicant should comply with the Sunrise Rules. In case Nr. 404, the Panel examined a near-identical factual construction, where the domain name applicant had only submitted a

domain name application as documentary evidence (although, also there, the trademark had been registered between the domain name application and the decision of the Respondent). The Panel in case Nr. 404 correctly decided, that a trademark application does not constitute a prior right, and it is irrelevant whether the trademark application has become a registered trademark after the domain name application.

The documentary evidence submitted by the Complainant shows that it did not own or is a licensee of a registered trademark at the date of its domain name application. The Complainant does not even dispute that he applied for domain name only on a basis of a trademark application at the date of his application. Contrary to the Complainant's assertions, the Regulation and Sunrise Rules clearly and expressly provide that only registered trademarks may be taken into account by the Respondent when assessing a domain name application.

Further, the wording of the Sunrise Rules is very clear: Section 11 (1) states that during the first phase of the phased registration period, only Domain Names that correspond to...(i) registered Community or national trade marks... may be applied for by the holder and/or licensee of the prior right concerned. And Paragraph 3 of Section 11 states that the applicant must be the holder (or licensee) of the prior right claimed no later than the date on which the application is received by the Registry, on which date the prior right must be valid, which means that it must be in full force and effect.' Further, Section 13 (1) (i) of the Sunrise Rules relating to "Registered Trade Marks" specifically states that "A TRADE MARK APPLICATION IS NOT CONSIDERED A PRIOR RIGHT".

As the Complainant argues however that a trademark application confers on the applicant a right of priority from the date of such trademark application, the Panel finds that this does not constitute a prior right by the means of the neither the Public Policy Rules nor the Sunrise Rules.

Concerning the Complainant's argument that the vested legal expectancy evidenced by the October 10, 2005 online database extract of CTM 004373239 "ACER" should be treated in the same way as a non registered trademark with the documentary evidence being submitted from the verifiable database of a Community Authority (OHIM) being fully sufficient the Panel finds that neither has the Complainant claimed the disputed domain name specifically on the basis of such type of rights nor has it submitted the necessary evidence. Section 15 of the sunrise rules states that if an applicant claims a prior right to a name on the basis of either a well-known unregistered trade mark or an unregistered trade mark, it would be necessary to prove the existence of such prior right in accordance with Sections 12 (2) or 12 (3), without there being an obligation to provide the documentary evidence referred to in Section 12 (1). Section 12 (2) asks for a copy of a relevant final judgment by a court or an arbitration decision stating that the applicant has protection for the complete name for which a prior right is claimed. Section 12 (3) states that if, under the law of the relevant member state, the existence of the prior right claimed is subject to certain conditions relating to the name being famous, well known, ... or the like, the applicant must submit either an affidavit signed by a competent authority, legal practitioner, or professional representative, accompanied by documentation supporting the affidavit or a relevant final judgment by a court or an arbitration decision stating that the name for which a prior right is claimed meets the conditions provided for in the law of the relevant member state in relation to the type of prior right concerned. As the Complainant has failed to submit such documentary evidence with its application he may not claim the disputed domain name on such grounds. The same goes for a claim based on company names, trade names, etc. for which the Complainant has failed to submit documentary evidence as declared necessary in Section 16 (4) and (5) of the Sunrise rules either.

As a result, the fact that the Complainant's CTM application had not reached registration on or before the application date meant that it was not a valid prior right for the purposes of validation of the domain name application under Phase I Sunrise. The Respondent and a registrar are two different entities in the framework of the registration process, so the Respondent can in the case in hand not be held responsible for mistakes which the Complainant's registrar has made.

Having reviewed the documentary evidence supplied by the Complainant, and having considered all other documents in the case file in this Complaint, this Panel finds that the Respondent's decision to reject the Complainant's application for the disputed domain name "acer.eu" was correct, and that it was not in conflict with the Regulations.

Remark:

The Respondent has mentioned in its Response that the filed trademark was applied with the "German Trademark and Patent Office", which seems obviously to be a mistake. The Panel has investigated on this matter and found no "ACER" trademark application with the German Trademark and Patent Office in the relevant period of time. So this obvious mistake was not taken into account when the Panel reached its decision.

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	Dr. Torsten Bettinger, LL.M.
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DATE OF PANEL DECISION 2006-09-01

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant filed an application to register the disputed domain name "acer.eu" during Sunrise Period I. It then submitted within the 40 day

deadline to the Validation Agent as documentary evidence. its application for a Community Trade Mark for “ACER” in Class 36 which pre-dated the domain name filing date. However, the Complainant’s CTM application had not reached registration by the filing date of the domain name application. As such, the evidence of the Complainant’s CTM application was insufficient to substantiate a valid prior right for the purpose of validation of the domain name application. The fact that the Complainant’s CTM application has reached registration since the domain name application date is irrelevant.

The Panel agrees with the Respondent’s decision to reject the Complainant’s application for the domain name as the Registrant failed to substantiate a valid prior right. Article 12 of the Public Policy Rules makes it clear that, in cases such as this, the prior right in question must have been a registered trade mark.

The Respondent was correct in rejecting the Complainant’s domain name application, and its decision was not in conflict with the Regulations.

The Complaint is denied.
