

Panel Decision for dispute CAC-ADREU-001674

Case number **CAC-ADREU-001674**

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Domain names **ebags.eu**

Case administrator

Name **Tereza Bartošková**

Complainant

Organization / Name **eBags (UK) Limited, Mr. Val Agostino**

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

There are no other legal proceedings of which the Panel is aware that are pending or decided and that relate to the disputed decision or the disputed domain name.

FACTUAL BACKGROUND

1. History of the Request for Registration

1.1. The Complainant is eBags (UK) Limited, based in Great-Britain ("the Complainant").

1.2. eBags (UK) Limited ("the Complainant") is owned by eBags International, a US company. eBags International is owned by eBags, Inc., a Delaware corporation based in Colorado, USA. eBags, Inc. is recorded as the owner of German trademark No 399 27 389 registered on June 14, 2000 for the word EBAGS, and of Community trademark No 1154632 registered on November 14, 2000 for the word EBAGS. Ebags, Inc. also owns the domain names ebags.co.uk and ebags.de.

1.3. On February 8, 2006, eBags, Inc. ("the Applicant") filed an application for registration of ebags.eu ("the Domain Name"), during the second part of the phased registration defined at article 10.1 of EC Regulation 874/2004. The processing agent received the documentary evidence on February 10, 2006, before the March 20, 2006 deadline.

The validation agent rejected the application for registration of said name, on the grounds that the Applicant was a company established in the United States. EURid ("the Respondent") refused to register the Domain name for the Applicant which did not fulfil the eligibility requirements set out at article 4.2 (b) of EC Regulation 733/2002.

2. History of the ADR Proceeding

2.1. The Complainant submitted a complaint against EURid to the ADR Center for .eu attached to the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic ("the Court"). The complaint was received on June 6, 2006.

2.2. The complaint included a request to the 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 ("the Sunrise Rules").

After the Court sent such a request to EURid, the Complainant used a non-standard communication form to "bring two things [to the attention of the Court] regarding the previous registration attempt".

2.2. After several deficiencies in the complaint were notified to the Complainant, it submitted an amended complaint on June 14, 2006. The ADR Proceeding commenced on June 21, 2006.

2.3. On August 9, 2006, the Court received the Respondent's response, followed by a new non-standard communication form from the Complainant, which briefly replied to one point made by the Respondent.

2.4. The Panel was duly appointed the same day.

A. COMPLAINANT

3. The Complainant's contentions are summarized below.

3.1. The Complainant describes itself as a UK company, wholly owned by eBags International, a US firm which is itself wholly owned by the Applicant. The Complainant's description of this corporate structure (substantiated by a July 23, 2004 letter of the Applicant's legal counsel in the USA) mentions that the Applicant is the original trademark holder.

3.2. The Complainant explains that the Applicant not only owns the Community Trademark 1154632 described above at § 1.2 ("the Trademark"), but is also the owner of Community Trademark 1905595 (which includes the word "eBags" printed on a tag) since April 24, 2002, and attaches an evidence of said registration.

3.3. The Complainant contends that it is the UK licensee of the Trademark. To demonstrate it was granted such a license, the Complainant attached to the Complaint a "Licence Declaration for a Registered Trade Mark (.eu Phased Registration)", which is the form described at Section 20.1 of the Sunrise Rules. This document is dated May 30, 2006.

3.4. The Complainant also alleges that it has been trading under the "eBags" name since October 2004 in the UK and since September 2005 in Germany. As proof of such public use of the trade name "eBags", the Complainant attaches copies of the homepages of its UK website ebags.co.uk and German website ebags.de, along with an historical traffic graph which shows that there have been between 0 and 60 million "daily reach" (by Alexa standards) of the .uk domain and between 0 and 20 millions for the .de domain.

3.5. In its complaint and in its first communication to the Court, the Complainant states that one of eBags' former directors who originally applied for the Domain Name is no longer employed.

3.6. In this first communication, the Complainant also declares: "The registration was filed on behalf of eBags Inc (our parent company), which was a mistake in the application, as eBags Inc. is not an EU entity. The original registration should have been filed on behalf of eBags (UK) Limited".

3.6. In its second communication to the Court, the Complainant points out that the Applicant has operated since July 2004 an EU office located in Cambridge, England, and that this office trades under the name of the Complainant.

3.7. The Complainant seeks the following remedies: "Our previous application for the eBags.eu domain contained some errors, and thus our application was rejected. We seek to clarify our application, reverse the previous decision, and be granted the rights to use the TLD eBags.eu on the grounds of prior trademark rights".

B. RESPONDENT

4. Respondent explains the grounds on which it rejected the application for the Domain Name, and responds to the Complainant's contentions as follows.

4.1. The Applicant is eBags, Inc., a company established in the United States at 6060 Greenwood Plaza Blvd. 80111 Greenwood Village, Colorado. The Applicant did not show that it has a registered office, central administration or principal place of business within the Community. The Respondent cites Regulation 733/2002 article 4.2 (b) and Sunrise Rules Section 1 to emphasize that it may register .eu domain names only for undertakings that meet one of these eligibility requirements.

4.2. The Respondent concludes that its decision to reject the application for the Domain Name was correct, and requests dismissal of the complaint.

DISCUSSION AND FINDINGS

5. Before ruling on the merits of the Complaint, the Panel has to address whether it shall take into account the two communications from the Complainant.

5.1. Under Paragraph B.8 of the ADR Rules, "[i]n addition to the Complaint and the Response, the Panel may ... admit, in its sole discretion, further statements or documents from either of the Parties."

In its first communication, the Complainant reacted to the Court's request for EURid verification, and attempted to clarify why the details of the original registration did not match the details in this dispute.

The second communication is an explanation of the corporate relationship within the eBags group.

Both communications are short, and roughly repeat parts of the complaint. Therefore, the Panel will admit them.

6. The Complainant not only seeks the annulment of the Respondent's decision (§ 6.1), but also seeks to clarify the application (§ 6.2.), to be granted the rights to the Domain Name (§ 6.3).

6.0. "The sole object and purpose of an ADR Proceeding against the Registry is to verify whether the relevant decision by the Registry conflicts with the Regulations" (Section 26.2 of the Sunrise Rules). In the Definitions of the Sunrise Rules, "Regulations" are defined as "the .eu Regulation and the Public Policy Rules," the former meaning EC Regulation 733/2002 and the latter EC Regulation 874/2004.

Article 22.11 of EC Regulation 874/2004 states that "[i]n 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." Therefore, the Panel finds the Sunrise Rules cannot be applicable, and will decide only on the basis of EC Regulations.

6.1. Is the Respondent's decision valid under EU Regulations?

Article 4 of EC Regulation 733/2002 defines the obligations of the Respondent. One of these obligations is that it shall "register domain names in the .eu TLD through any accredited .eu Registrar requested by any undertaking having its registered office, central administration or principal place of business within the Community, or organisation established within the Community without prejudice to the application of national law" (article 4.2 (b) (i) and (ii)). Article 2 of EC Regulation 874/2004 defines as an eligible party a person listed in this Article 4(2)(b) of EC Regulation 733/2002.

Is the Applicant an eligible party? It is not disputed by the parties that the Applicant, an American firm, was not entitled to apply for the Domain Name under EC Regulations. The Complainant itself acknowledged that the registration was filed on behalf of its parent company, and that this was a mistake in the application since the Applicant is not an EU entity. The Complainant added that the original registration should have been filed on its own behalf.

The Complainant neither shows, nor even contends, that the Applicant has its registered office, its central administration or principal place of business in the European Union. The Complainant states that it is itself, since July 2004, the EU office of the Applicant. Considering that the Complainant is legally distinct from the Applicant, and that the Applicant and the Complainant are separate entities, the latter cannot be deemed to be the registered office of the former within the Community.

6.2. The Complainant seeks to rectify the significant errors that were made in the original application through this ADR proceeding. It gives additional information and evidence in its complaint and subsequent communications.

The Panel first observes that, although the Complainant "seek[s] to clarify [its] application", the application was not the Complainant's but the Applicant's.

The Panel then observes that these "errors" were indeed significant. For example, the header of the Cover Letter in the Documentary Evidence shows that the application was made in the name of "eBags Inc", the address of which being, astonishingly enough, "6060 Greenwood Plaza Blvd., 80111 Greenwood Village, CO, USA, United Kingdom."

Did the Applicant intend to obfuscate the fact that it was not based in the European Union or was it a genuine mistake? Can these "significant errors" be corrected through an ADR proceeding?

In Cases No 551 (VIVENDI) and 810 (AHOLD), the Panels noted that the ADR Proceedings initiated against the Registry shall not in any way serve as a "second chance" or an additional round providing applicants with an option to remedy an original application of imperfect nature, which has been rejected during the Sunrise Period.

In Case No 1194 (INSURESUPERMARKET), the Panel ruled that the ADR procedure is not intended to correct domain name applicants' mistakes. In Case No 501 (LODE, PROCARE), the Panel rejected the complainant's plea to get the domain applied for by mistake as Lode BV and not Lode Holding B.V.

Pursuant to Article 14 of EC Regulation 874/2004, the documentary evidence that shows that the applicant is the holder of a prior right shall be received by the validation agent within forty days from the submission of the application for the domain name. It is clear from this provision that proper evidence had to be submitted within this time frame, and that it had to be submitted by the Applicant. Here, the additional evidence was submitted after the forty days period by the Complainant, and not the Applicant.

6.3. Can the Complainant be granted the Domain Name?

It should be noted that the application was made after February 7, 2006, during the second part of the phased registration. During this second part, .eu domain names could be registered on the basis of prior rights such as unregistered trademarks, trade names, business identifiers, company names, family names, and distinctive titles of protected literary and artistic works, as far as they are protected under national law in the Member-State where they are held.

Complainant states it has been trading under the "eBags" name in both the UK and Germany, respectively since October 2004 under the name ebags.co.uk and since September 2005 under the name ebags.de.

Aside from the fact that these domain names are held by the Applicant and not by the Complainant, the Panel notes that the Documentary Evidence did not include any evidence substantiating the existence of a prior right on the eBags trade name. The Documentary Evidence only consisted of trademark certificates bearing the name of the Applicant, and not the Complainant's.

For the sake of completeness and for the avoidance of doubt, the Panel would like to stress that, although the Complainant alleged it "registered the "ebags" trademark and design mark in the UK", the pieces of evidence it attached show that these trademarks belong to the Applicant. The Complainant also contended it has license rights on an "ebags" trademark, but only submitted as evidence a "Licence Declaration for a Registered Trade Mark (.eu Phased Registration)." This document, which is described at Section 20.1 of the Sunrise Rules and is required in cases where a licensee files an application for a .eu domain name, is declarative, and is not the license itself. This form was not part of the Documentary Evidence, and is dated May 30, 2006 (and the Panel also notes that none of the trademark certificates, be they in the Documentary Evidence or in the Complaint's annexes, mentions the existence of a license).

7. Therefore, the Respondent's decision to reject the Applicant's application for the Domain Name is valid under EC Regulations. The Complainant is not entitled to clarify the application, and cannot be allocated the domain name.

DECISION

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

PANELISTS

Name **Cedric Manara**

DATE OF PANEL DECISION 2006-08-15

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Applicant for the Domain Name was an American-based firm. Its application was not accepted. The Complainant, a UK subsidiary of the Applicant, filed a complaint in which it explained that the application was made in error in the name of its parent company. The Complainant sought to clarify the application, reverse the previous decision, and be granted the rights to use the Domain Name.

The Panel found that the non EU company was not eligible to register a .eu domain name, since it does not have its registered office, central administration or principal place of business within the Community.

The Panel found the Complainant cannot be entitled to rectify the application nor supply additional evidence after the end of the period during which documentary evidence must be submitted.
