Panel Decision for dispute CAC-ADREU-001811

Case number	**CAC-ADREU-001811**
Time of filing	**2006-06-21 10:18:48**
Domain names	**novasoft.eu**

Case administrator

Name	**Eva Zahořová**

Complainant

Organization / Name	**NOVASOFT CORPORACION EMPRESARIAL, S.L., Helena Fernandez**

Respondent

Organization / Name	**EURid**

FACTUAL BACKGROUND

This Complaint arises out of the interpretation and application of Commission Regulation (EC) No 733/2002 of 22 April 2002 (Regulation 733/2002) and No 874 of 28 April 2004 (Regulation 874/2004) and the .eu Registration Policy and Terms and Conditions for Domain Name Applications made during the Phased Registration Period (hereinafter “the Sunrise Rules”).

Art. 10(1) of said Regulation 874/2004 provides that holders of prior rights 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, and that prior rights shall be understood to include, inter alia, registered national and community trademarks.

Article 4(2)(b) provides that the Registry shall register any domain names in the .eu TLD when requested by “any organisation established within the Community without prejudice to the application of national law…”

Article 12(3) of said Regulation 874/2004 provides that the request to register a domain name based on a prior right shall include a reference to the legal basis in national or Community law for the right to the name, as well as other relevant information.

Article 3 of said Regulation 874/2004 provides that the request for a domain name shall include inter alia the name and the address of the requesting party and further that any material inaccuracy in the name shall constitute a breach of terms of registration.

Section 11(1) of the Sunrise Rules provides that “[d]uring the first phase of the Phased Registration Period, only Domain Names that correspond to (i) registered Community or national trade marks or (ii) geographical indications or designations of origin, may be applied for by the holder…of the Prior Right concerned….”

Section 11(3) of the Sunrise Rules provides that the Applicant for the domain name must be the owner or licensee of the claimed Prior Right.

The purpose of the phased registration period is set out in Recital 12 of said Regulation 874/2004: “In order to safeguard prior rights recognised by community or national law, a procedure for phased registration should be put in place. Phased registration should take place in two phases, with the aim of ensuring that holders of prior rights have appropriate opportunities to register the names the names on which they hold prior rights. The Registry should ensure that appointed Validation Agents perform validation of the rights. On the basis of evidence provided by the applicants, validation agents should assess the right which is claimed for a particular name. Allocation of that name should then take place on a first-come, first-served basis if there are two or more applicants for a domain name, each having a prior right.”

The Complainant is a limited liability company engaged in Information Communications and Technology (ICT) duly incorporated in Spain within the European Community and is the registered owner of several “NOVASOFT” trade marks in Spain. On March 23, 2006 the complainant applied to register the domain name “novasoft.eu” during Phase I of the phased registration period. In support of its application under the Sunrise Rules, the Complainant relied inter alia on said national trade marks as establishing its Prior Rights. The Complainant’s ownership of said national trade marks is not in dispute here and the Complainant has submitted documentary evidence of said registration in the form results from a Spanish Registry of Companies database.

What is disputed here is whether the documentary evidence submitted clearly verifies and identifies that the Applicant and the trade mark owner are the same. The name that was provided on the Application was missing the words “EMPRESARIAL S.L.”. The name that was submitted in the Application was “NOVASOFT CORPORACION” and not the correct and complete name of the Complainant which is “NOVASOFT CORPORACION EMPRESARIAL S.L.”

The Complainant submits that the Complainant has satisfied the criteria in Article 10 of Regulation 874/2004 and Article 4(2)(b) of Regulation 733/2002. They submit that the application refers to the complete name for which the prior rights exist (NOVASOFT) and that the domain name at issue is also the main part of the Complainant’s name. The Respondent refused to register the domain name <novasoft.eu> in the name of the Complainant during the Sunrise Period on the grounds that the documentary evidence furnished did not substantiate that the applicant for the domain name is the holder of the Prior Right in the domain name. This lack of substantiation was, it is alleged, due to the abbreviated form of the applicant’s name as given in the Application.

A. COMPLAINANT

The Complainant submits that the abbreviation in its name was due to a “technical inaccuracy” in the database of the Registrar Interdomain. The Complainant submits that even though the correct name of the company was abbreviated, it was still easily recognisable abbreviation for the name of the owner of the trade mark. They state that there is no means by which the Validation Agent or the Registry could have come to the conclusion that the Applicant and the owner of the trade mark were not one and the same person. It is submitted that the addresses of both the Applicant and the owner of the trade mark, provided in the documentary evidence, were located in the same Spanish town, leading to the conclusion that the main part of the Complainant’s name (NOVASOFT) is easily recognisable as being the same name as the owner of the trade mark.

B. RESPONDENT

The Respondents claim that the requirements of Article 3 of said Regulation 874/2004 have not been met and that on this basis the application was validly refused. The Respondent, furthermore, claims that the Complainant’s arguments are not valid on the grounds that the Sunrise Rules require that the documentary evidence provided with an Application must clearly evidence that the applicant is the reported owner of the registered trademark. The Respondent submits that a failure to comply with this requirement means that the validation agent could not reasonably assess whether the owner of the trademark and the applicant for the domain name were one and the same.

DISCUSSION AND FINDINGS

The Panel determines as follows: The Panel accepts the Complainant’s claim that it is the owner of the four Spanish trade mark registrations for NOVASOFT. The Panel further accepts all arguments presented by the Complainant with respect to its compliance with Art.10(1) of regulation 874/2004, Article 12 of Regulation 874/2004, Article 4(1) of Regulation 733/2002, Article 4(2)(a) & (b) of Regulation 733/2002, as well as Section 21(3) of the Sunrise Rules.

The last paragraph of Article 14 of Commission Regulation (EC) No 874/2004 provides that the Registry shall register the domain name, on a “first come first served” basis, if it finds that the applicant has demonstrated a prior right in accordance with paragraphs 2-4 of the same article. The registrant duly submitted proof of such prior right and subsequently ought to have been granted the domain name pursuant to the first phase of the Sunrise Rules. One of the essential purposes of the European Regulation No 874/2004 is to safeguard prior rights recognized by community or national laws.

The Panel accepts the contention that a phased registration must operate in a “fair, appropriate and sound operational” manner as required by Article 12 of Regulation 874/2004 and that the Validation Agent should at the least exhibit a modicum of diligence in cross checking and validating the domain name Applicant’s identity. The Validation Agent could have easily carried out some minor independent investigations as is within the powers provided for under Section 21 of the Sunrise Rules. In particular the Panel refers to cases of a similar nature where only one or two of the words in the name of the Applicant was excluded (Case 1525 and 253). In these cases it was held by the Panel that because of the near identical nature of the name provided by the applicant and the name of the trade mark owner and due to the fact that the address for both was the same, it should have been reasonably apparent to the Respondent that the domain name applicant and the holder of the prior rights were one and the same. This case is distinguishable from cases such as Case 00541 in which the applicant failed to provide adequate supporting documentary evidence. Furthermore, in this case it is unclear whether it was the error of the Registrar “Interdomain” or of the Applicant that caused in the Applicant’s name to be incorrectly entered in the database. If a mistake is made by the Registrar when entering data relevant to an application, an application should not be rejected solely on the basis of this mistake

Although Section 21 of the Sunrise Rules does not impose an express obligation on the Validation Agent to make any investigation, the Validation Agent is still obliged to act in a fair and reasonable manner. The Validation Agent had the power to make a quick and simple check as to the obvious error that existed in the Complainant’s application. Had this been done it would have been apparent very quickly that the trade mark owner and the Applicant were one and the same organisation.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the domain name NOVASOFT be transferred to the Complainant

PANELISTS

Name	**Alistair Payne**

DATE OF PANEL DECISION 2006-09-12

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Panel has determined that it is clear, from the near identical nature of the Applicant and the owner of the trade mark on which priority is claimed, that they are one and the same person. Where this is the case the Validation Agent should act in a fair and reasonable manner in deciding whether to exercise the powers of an independent investigation afforded him under Section 21 of the Sunrise Rules. In this case the Validation Agent acted unreasonably in failing to verify the situation where there was clearly a simple error in the Registrar “Interdomain” database as opposed to a material mistake in the Application or any of the supporting documents.