Panel Decision for dispute CAC-ADREU-001912

Case number	CAC-ADREU-001912
Time of filing	2006-06-22 12:01:21
Domain names	f-zero.eu

Case administrator

Name	Josef Herian

Complainant

Organization / Name	Nintendo of Europe GmbH

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 pending legal proceedings known to the Panel

FACTUAL BACKGROUND

The complainant applied for the disputed domain name at 07/12/2005, stating as its prior right a national trademark registered in Germany. However, the Complainant submitted as documentary evidence a trademark certificate of the French Trademark Office. The Registry has rejected the Complainant's application for registration of the domain name f-zero.eu on the grounds that the application submitted referred to the German trademark registration of F-ZERO, but contained a copy of the French trademark registration of F-ZERO as documentary evidence.

Following the above rejection, the complainant filed a complaint at 19/06/2006, which was however not delivered to the CAC through the online platform due to technical reasons. The complainant checked the online platform two days later, and found out the existence of the problem aforementioned. After immediate contact with the CAC the complainant sent a Non Standard Communication, explaining the situation to the CAC and asking for a deadline extension. On the following day (22/06/2006) the CAC acknowledged receipt of the complaint and assigned the Case Administrator. By means of a Non Standard Communication, the CAC confirmed the prolongation of the deadline for delivering the complaint by the 21st of June 2006. This was actually the date, when the CAC received the complaint, as evidenced by the Request for EURid Verification. After receiving verification details by EURid, the CAC set the 3rd of July 2006 as the formal date for the commencement of the ADR Proceedings. The CAC acknowledged receipt of the response at 23/08/2006 and appointed the undersigned as single Panelist at 29/08/2006.

A. COMPLAINANT

The complainant referred to Article 10 of Regulation (EC) No. 874/2004, where it is stipulated that the applicant must be the holder of a prior right. In the case under dispute, the documentary evidence submitted did not refer to the German trademark right as stated in the application, but it did prove the French trademark right which is also a valid prior right according to the above provision. Accordingly, the situation was the following: a) The complainant's reference to the German trademark in the application form was accurate, because Nintendo Co., Ltd. owns the German trademark F-ZERO. b) The complainant proved the existence of the French F-ZERO trademark. c) The Complainant also proved that it has licensed the French trademark F-ZERO from Nintendo Co., Ltd.

Despite the fact that the reference in the application and the documentary evidence are not consistent, both trademarks, i.e. the trademark referred to in the application and the trademark, the existence of which was proven by documentary evidence, constitute prior rights of the Complainant according to Article 10 of Regulation (EC) No. 874/2004. Accordingly, the application (including the documentary evidence) provided all information required to prove prior rights. The inaccuracy was a formal one, it did not affect the validity and the sufficiency of the information. The Registry could have decided on the basis of the application without running the

slightest risk of rendering an inaccurate decision. It was obvious from the application documents that the Complainant is the owner of a prior right.

In addition to the above, the complainant asks for the annulment of EURid's decision, based on the German Trademark registration, which it delivers during the present proceedings as new evidence. The complainant supports the view that that applications which do not fulfil all requirements can be "amended" in the ADR proceeding by submitting new evidence. The Panel then reviews the merits of the complaint on the basis of the documentation submitted.

According to the complainant's contentions, the Registry's decision rejecting the registration of the domain name "f-zero.eu" is in conflict with the EC Regulations. Thus, it must be annulled according to Section B[11][c] of the ADR rules and the domain must be registered in the Complainant's name.

B. RESPONDENT

EURid opposes to the complaint by virtue of Section 3 (1) of the Sunrise Rules, which states that an application will only be considered complete when the applicant provides the Respondent with the country in which the prior right is claimed. The Complainant itself agrees that its application was not in line with section 3 (1) of the Sunrise Rules. The Complaint must therefore be rejected. The Respondent is then referring to the cover letter which the Complainant submitted with its application, where it is stated that the Rules, including the special terms that relate to the phased registration period, apply and have been read and approved without reservation by the Applicant. The Applicant has understood that any breach of the Rules can invalidate the application for the domain name or result in the cancellation of the Registration itself. Therefore, the Complainant is bound by the Sunrise Rules. Its failure to comply with the Sunrise Rules is the reason why its application was rejected. The Respondent refers finally to a non-exhaustive list of cases where the Panel decided that the Respondent's decision was correct to reject an application for non-compliance with the Sunrise Rules, mentioning the following cases: 119 (NAGEL), 404 (ODYSSEY), 954 (GMP), 1710 (PARLOPHONE, EMI, EMIMUSIC, EMIRECORDS, ANGEL, THERAFT).

With regard to the issue of fresh evidence delivered by the complainant, the Respondent refers to the existing case law of the ADR Center, where it has been consistently reaffirmed by numerous Panels that only the documents which the Respondent examined at the time of validation of the application may be relied upon by the Panel to evaluate the conformity of the Respondent's decision with the applicable rules and regulations. (cases Nr. 294 (COLT), Nr. 954 (GMP) and Nr. 01549 (EPAGES)).

DISCUSSION AND FINDINGS

1. On the timely response of EURid

As evidenced by the case file, while the complaint was received by the Respondent on the 3rd of July, the latter posted his response at 23/08/2006. Bearing in mind that according to the PPR and ADR-Rules the response is to be submitted within 30 working days from the notification of the complaint, the Panel felt obliged to contact the CAC, in order to seek clarification on the absence of the Respondent's declaration in default. The Case Administrator delivered promptly an explanation to the Panel, stating the following:

"As to EURid, EURid communicates with the Czech Arbitration Court during ADR Proceedings electronically, via the on-line platform. In order to clarify the time periods for multiple Responses from EURid, the Czech Arbitration Court and EURid agreed on the following understanding of the time periods as applicable to EURid: if EURid is a Respondent, the period of thirty (30) working days for submitting the Response begins after the term of five (5) days from the date of notification of the commencement of the respective ADR Proceeding in which EURid can access the Complaint on the on-line platform, as any other Respondent. Nevertheless, the additional period of 12 days for the assumption of delivery to EURid does not apply even if EURid does not access the Complaint on the on-line platform. This is because EURid is always aware of every Complaint because it is requested by the Czech Arbitration Court to verify the information contained in every Complaint […] Therefore, with respect to the case No. 1912, the period of thirty (30) working days, within which EURid is obliged to submit its Response, started on 11 July 2006 and ended on 23 August 2006 (there were holidays in this time in Belgium – 14 and 15 August). The electronic version of the Response was delivered on the on-line platform on 23 August 2006; therefore, EURid is not delinquent with respect to the submitting its Response to case No 1912."

Consequently, the issue on the timely response of EURid is to be answered in the affirmative.

2. On the merits of the case

I. The issue at stake is whether a technically inaccurate application can be deemed as materially sufficient, thus permitting the Registry to draw safe conclusions as to the actual rights the applicant invokes. Initially, one has to focus on the key elements of the registration procedure as provided for by the Public Policy Rules.

II. According to Recital 12 of the preamble of the PPR, "… 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 on which they hold prior rights. The Registry should ensure that validation of the rights is performed by appointed validation agents. On the basis of evidence provided by the applicants, validation agents should assess the right which is claimed for a particular name."

Pursuant to Art. 10.1 and 10.2 PPR, "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... 2. The 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 a right exists."
Article 12.3 PPR provides that "the request to register a domain name based on a prior right under Article 10(1) and (2) 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, such as trademark registration number, information concerning publication in an official journal or government gazette, registration information at professional or business associations and chambers of commerce".

Further on, Art. 14.1, 14.4, and 14.10 PPR read as follows:
"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.
The Registry shall register the domain name, on the first come first served basis, if it finds that the applicant has demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraphs."

Finally, Art. 22.11 b PPR states that, "in 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."

None of the above provisions have been violated by the complainant. The latter demonstrated the existence of a prior right with regard to the disputed domain name, emanating from the French Trademark Certificate and the respective trademark license. This prior right was indeed verifiable through the documentary evidence submitted duly and timely by the complainant.

However, the complainant's representatives have mistakenly based the application on a German trademark certificate, whereas at the same time they forwarded a French trademark certificate. This mistake clearly violates the obligation of the applicant, resulting from Section 3.1 ii (ix) of the Sunrise Rules, to indicate the state where the invoked prior right is being protected.

The question resulting from the above facts is whether the Validation Agent had the opportunity to remedy the inconsistency between the application's wording and the documentary evidence. The answer is to be found in Section 21 of the Sunrise Rules. According to Section 21(2), "[T]he Validation Agent examines whether the Applicant has a Prior Right to the name exclusively in the basis of a prima facie review of the first set of Documentary Evidence received and scanned by the Processing agent (...) and in accordance with the provisions of these Sunrise Rules"; Section 21(3) of the Sunrise Rules stipulates that "[T]he Validation Agent is not obliged, but is permitted in its sole discretion, to conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced".

III. All things considered, I am inclined to accept the complainant's contentions for the following reasons.

1. The scope of these proceedings is clearly set forth in Art. 22.11 b PPR. It is the Panel's mission to examine whether the Respondent's rejection of the application contravened the PPR or Reg. 733/2002. In the Panel's view the decision taken by the Registry conflicts with the relevant EC-Regulations. The formalism showed by the Validation Agent is in obvious contradiction to the quintessence of the Regulations, namely to protect owners of prior rights and to safeguard those rights during the registration process, upon the condition that the first come, first served rule has been respected. The Registry and the Validation Agent had before them all necessary documentary evidence, as to proceed to registration. The disputed domain name was identical to the trademark registration submitted, and a license declaration was also attached to the trademark certificate. All time requirements were met and the name of the applicant matched 100 % to that of the trademark owner/licensee. We nearly had had the perfect application. What went wrong was the discrepancy as to the origin of the trademark certificate. Is it acceptable that a similar mistake could lead to the rejection of the application? The Respondent says it can, because the Sunrise Rules were violated. Although I acknowledge that a breach of Section 3.1 ii (ix) of the Sunrise Rules has been committed, I cannot agree with this approach.

2. In order to answer the above question, it is inevitable to assess the legal weight and the importance posed on the Sunrise Rules. There are two different directions taken by the Panel in earlier cases with regard to the subject matter.

The first opinion sees a ground for rejecting the application, in case any of the Sunrise Rules have been disregarded. This view is to be found in case Nr. 954 [Panelist: Berta Ramos Palenzuela]

The second opinion undervalues the legal significance of the Sunrise Rules, in relation to an ADR proceeding before the CAC, and insists on examining the case solely in accordance to Art. 22.11 b PPR. This view has been supported in cases Nr. 1071, 1930 [Panelist: Christopher Stothers], and 1310 [Panelist: Frédéric Sardain].

I will follow the second opinion, by adding the following: It is the duty of the Panel to assess the importance of the Sunrise Rules in conjunction with the Regulations and their objective. The Sunrise Rules have been issued in order to carry out a task of a mainly technical, formal nature. The PPR and especially the ADR-Rules have been issued in order to tackle with the problems arising out of the registration process. Not every inconsistency with the Sunrise Rules should lead to a rejection of the application and / or the complaint. At the same time, a failure to abide by the Sunrise Rules should be examined under the scope and according to the spirit of the Regulations, before it leads to a dismissal of the complaint.

I could not find any reason whatsoever to consider the present breach of the Sunrise Rules of such an importance, as to justify the rejection of the application. Accepting the opposite would mean that formalism prevails over common sense, a fact that I am not ready to take for granted, even for a profoundly automatic process, such as the one practiced by the Validation Agent. Apart from that, a brief view at our common legal principles would lead to the same result. It is widely accepted that any breach of a provision regulating procedural matters should lead to nullity / rejection, if this failure caused an irretrievable damage to the party that could not be remedied otherwise. In the case at hand it has been shown that the Respondent could have accepted the application as it was, since a prior right had been evidenced on behalf of the applicant. Hence, the Registry had no fear of violating the PPR.

3. Finally, I have to stress out that the present view has been followed by the Panel in two earlier cases, namely case Nr. 830 [Panelist: Angelica Lodigiani] and 2088 [Panelist: Dominik Eickemeier], the findings of which can be traced in the CAC's website.

DECISION

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

the EURID's decision be annulled

the domain name F-ZERO be transferred to the Complainant

PANELISTS

Name	**Apostolos Anthimos**

DATE OF PANEL DECISION 2006-09-24

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The complainant applied for the disputed domain name, stating as its prior right a national trademark registered in Germany. However, the Complainant submitted as documentary evidence a trademark certificate of the French Trademark Office. The Registry has rejected the Complainant's application for registration of the domain name on the grounds that the application submitted referred to the German trademark registration of F-ZERO, but contained a copy of the French trademark registration of F-ZERO as documentary evidence.

The issue at stake was whether a technically inaccurate application can be deemed as materially sufficient, thus permitting the Registry to draw safe conclusions as to the actual rights the applicant invokes. None of the provisions of the Regulations [733/2002 and 874/2004] have been violated by the complainant. The latter demonstrated the existence of a prior right with regard to the disputed domain name, emanating from the French Trademark Certificate and the respective trademark license. This prior right was indeed verifiable through the documentary evidence submitted duly and timely by the complainant.

However, the complainant's representatives have mistakenly based the application on a German trademark certificate, whereas at the

same time they forwarded a French trademark certificate. This mistake clearly violates the obligation of the applicant, resulting from Section 3.1 ii (ix) of the Sunrise Rules, to indicate the state where the invoked prior right is being protected. The question resulting from the above facts is whether the Validation Agent had the opportunity to remedy the inconsistency between the application's wording and the documentary evidence.

In the Panel's view the decision taken by the Registry conflicts with the relevant EC-Regulations. The formalism showed by the Validation Agent is in obvious contradiction to the quintessence of the Regulations, namely to protect owners of prior rights and to safeguard those rights during the registration process, upon the condition that the first come, first served rule has been respected. The Registry and the Validation Agent had before them all necessary documentary evidence, as to proceed to registration. Accepting the opposite view would mean that formalism prevails over common sense, a fact that this Panel cannot accept, even for a profoundly automatic process, such as the one practiced by the Validation Agent.