Panel Decision for dispute CAC-ADREU-002019

Case number	**CAC-ADREU-002019**
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Domain names	**drinks.eu, estragon.eu, krauter.eu, opskrift.eu, salat.eu, urter.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Legro Gartneri A/S, Niels Hoegholt**

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

The Panel is not aware of other legal proceedings which are pending or decided and which relate to the disputed Domain Names.

FACTUAL BACKGROUND

This decision arises from a complaint filed by the Danish company Legro Gartneri A/S ("the Complainant"), against the decision by EURid ("the Respondent"), to reject the applications for the domain names "DRINKS", "ESTRAGON", "KRAUTER", "OPSKRIFT", "SALAT" and "URTER" (“the disputed Domain Names”) filed by the Complainant.

On 07 February 2006, the Complainant applied for the disputed Domain Names under the second part of the phased registration period. Documentary evidence was submitted to the Respondent on 17 March 2006.

The Respondent refused the applications on the basis that the Complainant had not provided adequate evidence to substantiate its alleged prior rights.

On 23 June 2006, the Complainant filed a complaint with the Czech Arbitration Court, asking to cancel the decision of the Respondent to refuse the applications for the disputed Domain Names and to transfer the domain names to the Complainant.

On 11 July 2006, the Czech Arbitration Court informed the Respondent about the complaint and requested it to disclose information and documentary evidence related to the disputed Domain Names. On 18 July 2006, the Respondent provided the requested information and evidence. According to the evidence attached to the Respondent's communication of 18 July 2006, the documents submitted by the Complainant on 17 March 2006 consisted of excerpts from the Danish Companies Register including the principal company name of the Complainant and the following names as secondary company names ("binavne"): "DRINKS A/S (LEGRO GARTNERI A/S)", "ESTRAGON A/S (LEGRO GARTNERI A/S)", "KRAUTER A/S (LEGRO GARTNERI A/S)", "OPSKRIFT A/S (LEGRO GARTNERI A/S)", "SALAT A/S (LEGRO GARTNERI A/S)", and "URTER A/S (LEGRO GARTNERI A/S)".

On 18 July 2006, the Czech Arbitration Court notified the Complainant of some deficiencies relating to its Complaint (Paragraph B2 (b), Paragraph B1 (b) (7) of the ADR Rules, Paragraph B1 (c) ADR Supplemental Rules). The deficiencies were corrected by the Complainant within the time limit set by the Czech Arbitration Court.

On 25 July 2006, the ADR proceedings commenced.

On 13 September 2006, the Respondent filed a response to the statements and allegations made by the Complainant. The Respondent requested to have the dispute decided by a Three-Member Panel.

On 22 September 2006, the Czech Arbitration Court appointed Ms. Tuukka Ilkka Airaksinen, Mr. Knud Wallberg and Mr. André Pohlmann as Three-Member Panel in this matter.

On 29 September 2006, the Panel sent a non-standard communication to both parties, requesting them to comment on the nature of the invoked secondary company names under Danish law. The Panel also invited the parties to submit observations as to whether the requested domain names consist of the "complete" name of the claimed prior rights in the meaning of Article 10(2) EC of Regulation No. 874/2004.

Following a request made by the Respondent, the time limit for submitting additional observations terminated on 16 October 2006. The Complainant filed comments on 16 October 2006. The Respondent sent two non-standard communications, one on 16 October 2006 and the other one on 17 October 2006.

The Panel finds that it was properly constituted. The Panelists have submitted Statements of Acceptance and Declaration of Impartiality and Independence in compliance with Paragraph B5 of the ADR Rules and Paragraph B(5) of the Supplemental ADR Rules.

A. COMPLAINANT

In support of its position Complainant contends as follows:

1. The documentary evidence provided by the Complainant consists of extracts from the Danish Companies Register which demonstrates fully the Complainant's prior rights in secondary company names identical to all six disputed Domain Names. The prior rights are in full force and effect under Danish law.

2. Secondary company names are registered and protected under the Danish Public Companies Act and should therefore be regarded as company names in the meaning of Section 16(1) Sunrise Rules. This is confirmed by Section 153(4) of the Danish Public Companies Act which stipulates that the provisions for the principle company name shall also apply to secondary names of companies. The possibility that a company can have more than one official company name is also recognized by Section 16(4) Sunrise Rules, which refers to evidence relating to "the official company name, or one of the official company names".

3. The disputed Domain Names are the full names of the invoked earlier rights. The principle company name behind the secondary company names mentioned in the register excerpts have to be disregarded. According to Danish case law and jurisdiction, the secondary company name is considered a name in itself when compared to other company names (Ugeskrift for Retsvæsen [UfR], 1988, 265 f.).

4. Consequently, the decision taken by the Registry should be annulled and the disputed Domain Names should be registered in the name of the Complainant.

B. RESPONDENT

In its response, the Respondent made the following observations:

1. Pursuant to Article 14 of EC Regulation No. 874/2004, the applicant must to submit documentary evidence showing that he or she is the holder of the prior right claimed on the name in question. The burden of proof was on the Complainant to substantiate that it is the holder or the licensee of a prior right. The documentary evidence submitted by the Complainant consisted of an certificate of registration for the company "Legro Gartneri A/S". The certificate referred also to more than 65 secondary names including the names "DRINKS", "ESTRAGON", "KRAUTER", "OPSKRIFT", "SALAT" and "URTER". The Complainant seems to argue that these secondary names are company names. The Respondent disagrees and is of the opinion that secondary names are in fact trade names. The qualification is of great importance as the burden of proof is greater for trade names than for company names. A company can only have one company name, the name referred to in the company's articles of incorporation. When applying for the disputed Domain Names, the Complainant used its company name "Legro Gartneri A/S". The Complainant also used this name in the framework of the present proceeding. There can be no doubt that "Legro Gartneri A/S" is the Complainant's only official name. As regards the secondary names, Sections 16 (3) and (5) of the Sunrise Rules must be applied. Pursuant to these sections, the Complainant needed to prove "public use of the trade name or business identifier prior to the date of Application". Since the Complainant failed to submit such evidence of use, the validation found that the Complainant did not sufficiently demonstrate that it was the holder of a prior right on the disputed Domain Names.

2. The level of protection for secondary names depends on the question whether the secondary name has in fact been used alone as business identifier (UfR. 1992.810/3 Ø). This interpretation has primarily been maintained to prevent companies from abusing the law by

registering (a number of) secondary names which they have no actual interest in. The objective of the phased registration period is the same, as only holders of genuine prior rights are entitled to register the names for which they hold such rights. Since the Complainant did not submit evidence of actual use of the claimed secondary names alone as separate and distinct business identifiers, the domain name applications had to be rejected.

3. Section 153(4) of the Danish Public Companies Act states that: "If secondary names are used, the principal name of the company must be used". Therefore, the complete names of the secondary names mentioned in the register excerpt consist of the secondary name plus the principle company name. Since the secondary names alone are not "complete names" of the requested domain names in the meaning of Article 10(2) of EC Regulation No. 874/2004, the Complaint must be rejected.

DISCUSSION AND FINDINGS

1. The Complainant's complaint is made pursuant to Article 22(1)(b) of EC Regulation No. 874/2004, which provides that an ADR procedure may be initiated by any party where a decision taken by the Registry conflicts with this Regulation or with EC Regulation No. 733/2002. Pursuant to Article 22(11) second subparagraph of EC Regulation No. 874/2004, the sole purpose of these proceedings is accordingly to determine whether the decision taken by the Respondent was in accordance with the EC Regulation No. 874/2004 or with EC Regulation No. 733/2002.

2. As a preliminary remark, it should be noted that the second non-standard communication sent by the Respondent was submitted one day after the deadline set by the Panel. However, the Panel has decided to admit the additional statement of the Respondent in accordance with Rule B8 of the ADR Rules.

3. The relevant provisions of EC Regulation No. 874/2004 which require particular consideration are as follows:

Article 10(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 14 first paragraph: 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.

Article 14 fourth paragraph: 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 documentary evidence shall be submitted to a validation agent indicated by the Registry. The applicant shall submit the evidence in such a way that it shall be received by the validation agent within forty days from the submission of the application for the domain name. If the documentary evidence has not been received by this deadline, the application for the domain name shall be rejected.

4. In the case at hand, the Complainant requested the disputed Domain Names during the second phase of the Phased Registration Period on the basis of prior "secondary company names". Contrary to the view taken by the Respondent, "secondary names" are considered as "official" company names under Danish law. This follows from Section 153(4) of the Danish Public Companies Act. Said provision states:

Names of public companies

153.— (1) Public limited companies shall be under an obligation to and shall have an exclusive right to use the word "aktieselskab" (public company) or any contractions derived therefrom.

(2) The names of public companies shall differ clearly from each other and from the names of private companies. The name must not include surnames, names of firms, specific names of real property, trade marks, logos, etc., that do not belong to the company or anything which may be confused therewith.

(3) The name of a public company must not be likely to mislead. It must not include any specification of undertakings which have no connection with the objects of the company. If the name describes a specific activity, it must not be maintained in that form if the nature of the activities changes significantly.

(4) The provisions of subsections (1) to (3) above shall apply correspondingly to secondary names of companies. If secondary names are used, the principal name of the company shall be added in brackets.

[...]

5. According to Section 153(4) of the Danish Public Companies Act, secondary names of companies are placed on the same footing with the principal company name. Section 16(4) of the Sunrise Rules also indicates that a company can have more than one official name when it requires documentary evidence in relation to "the official company name, or one of the official company names". Consequently, the extract from the companies register submitted by the Complainant was, in principle, sufficient for the application of the disputed Domain Names (Section 16(4)(i) of the Sunrise Rules). However, the excerpts from the Danish Companies Register provided by the Complainant as documentary evidence show that the secondary company names are all registered with the addition of the principal company name in brackets, i.e. as follows: "DRINKS A/S (LEGRO GARTNERI A/S)", "ESTRAGON A/S (LEGRO GARTNERI A/S)", "KRAUTER A/S (LEGRO GARTNERI A/S)", "OPSKRIFT A/S (LEGRO GARTNERI A/S)", "SALAT A/S (LEGRO GARTNERI A/S)", and "URTER A/S (LEGRO GARTNERI A/S)". Furthermore, Section 153(4) of the Danish Public Companies Act also states that the secondary company name shall to be used together with the principal company name. The principal company name is not reflected in the disputed Domain Names. Domain names like, for example, "drinks-legrogartneri.eu", "salat-legrogartneri.eu" or "urterlegrogartneri.eu" would be acceptable on the basis of the submitted evidence, but not the disputed domain names. Consequently, the requested terms are not the complete names of the rights mentioned in the excerpts and as required under Article 10(2) EC Regulation No. 874/2004.

6. It is true that, under certain circumstances, the secondary company name alone may convey certain rights under Danish law to its beneficiary. For example, a secondary company name may be used as basis in an infringement action provided that its holder has actually used the secondary company name alone as business identifier (UfR, 1988, 265 S). The legal basis for infringement actions based on use is however found in the Danish Marketing Practices Act, § 1 and § 18 (formerly § 5), not in the Danish Public Companies Act. Furthermore, although the registration of a secondary name may block for the registration of an identical company name in the companies register, jurisprudence shows that the mere registration of a secondary name is not enough to convey its holder exclusive rights in the name towards third parties use of a similar name (UfR, 1992, 810/3 Ø). Consequently, a secondary company name alone will only convey the Complainant a right to request for a corresponding domain name under the sunrise period, provided that the Complainant has substantiated its right through documentary evidence showing use of the secondary company name as business identifier in accordance with Section 16 (5) of the Sunrise Rules. Evidence of use was submitted by the Complainant only in relation to the requested Domain Name "ESTRAGON". The material consisted of one Internet snap shot from the Complainant's web site and one picture of a product packaging including the words "Fransk estragon" ("French tarragon"). The documents indicate that the Complainant used the term "estragon" in a purely generic way to describe the product ("tarragon") but not as a business identifier. Since the Complainant failed to prove use of the alleged rights as business identifiers, its claim cannot be successful.

7. Consequently, the applications for the disputed Domain Names filed by the Complainant during the second part of the phased registration on the basis of the submitted evidence were not acceptable. The decision of the Respondent to reject the application filed by the Complainant was not in conflict with EC Regulation No. 874/2004 or with EC Regulation No. 733/2002.

DECISION

For the reasons given above, and in accordance with Article 22(11) second subparagraph of EC Regulation No. 874/2004, the Panel decides that

- the complaint be rejected.

PANELISTS

Name	**Tuukka Ilkka Airaksinen**

DATE OF PANEL DECISION 2006-10-23

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

This case concerns a complaint lodged against the decision by EURid to reject applications for six domain names on the basis of "secondary company names" in Denmark. The Complainant requested only the secondary company names as domain names but the documentary evidence submitted by the Complainant (excerpts from the Danish Companies Register) listed the secondary names always together with the principal company name in brackets. According to Section 153(4) of the Danish Public Companies Act, secondary company names have to be used together with the principal company name. Consequently, the Complainant failed to submit documentary evidence, within the relevant time limit, showing that the requested domain names consisted of the complete name of the claimed prior "secondary company names". Although a "secondary company name" alone (i.e. without the principal company name) may, under certain circumstances, convey its holder exclusive rights to the sign, Danish law requires that the holder has actually used the "secondary company name" alone as business identifier for this to be the case. The Complainant failed to prove use of the "secondary

company names" alone as business identifiers. Consequently, the decision of EURid was in line with Article 10(2), Article 14 first and fourth paragraph of EC Regulation No. 874/2004. The Panel therefore decided to reject the complaint.