Panel Decision for dispute CAC-ADREU-002080

Case number	**CAC-ADREU-002080**
Time of filing	**2006-07-04 15:19:03**
Domain names	**otto.eu**

Case administrator

Name	**Eva Zahořová**

Complainant

Organization / Name	**Otto 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

The Panel is not aware of any other pending or decided legal proceedings relating to the disputed domain name

FACTUAL BACKGROUND

On 7 December 2005 at 11:10:12.671 the applicant, Automatia Pankkiautomaatit OY (the “Applicant”) was first to file an application for the domain name “otto.eu”. Documentary evidence filed in support of the application included Finnish trade mark registration no 142135 registered on 22 January 1996 for the mark "otto.". That mark consisted of the letters “otto” in yellow followed by a red dot. The trade mark registration noted that “Exclusive right to the word “otto” is disclaimed“.

The Complainant, Otto B.V. was third in the queue for “otto.eu” domain name having applied on 7 December 2005 at 11:23:31.990.

On 4 July 2006 the Complainant filed its Complaint. ADR Proceedings were formally commenced on 12 July 2006. The Respondent, EURid filed a Response on the 30 August 2006. On the same day the undersigned having confirmed her independence was appointed panellist.

On 1 September 2006, by way of Nonstandard Communication the Complainant filed a Reply to EURid’s Response which the Panel has exercised its discretion to admit under Paragraph B 8 of the ADR Rules.

On 25 September 2006, by way of Nonstandard Communication the panellist invited each of the Complainant and Respondent to comment on the relevance of Section 19(2) of the Sunrise Rules to their case. Neither the Complainant nor the Respondent have availed themselves of the opportunity to comment on this section of the Sunrise Rules which deals with figurative trade marks.

A. COMPLAINANT

The Complainant contends that:

The application filed by Automatia Pankkiautomaatit OY for the domain name “otto.eu” conflicts with Commission Regulation (EC) No. 874/2004 (the “Regulation”) and consequently the decision of the Respondent to accept the application should be annulled under Article 22 (1)(b) and (11) of the Regulation.

Under Article 10(1) of the Regulation, the applicant for a .eu domain name during the phased registration period must hold prior rights recognised or established by national and/or Community law. Such prior rights include registered national trade marks.

Under article 10(2) of the Regulation, registration on the basis of a prior right should 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.

The Applicant, Automatia Pankkiautomaatit OY does not own any prior rights with respect to the word or name “otto” since the exclusive rights to the word “otto” were explicitly disclaimed from Finnish trade mark registrations number 142135 and 143749. The Applicant is only the owner of the trade mark rights with respect to the specific figurative trade marks but not with respect to the word “otto” itself.

If Automatia Pankkiautomaatit OY cannot claim any right to the word “otto” it is not the owner of prior rights as required by the Regulation for an application within the phased registration period. Therefore the decision of the Respondent to accept the application by the Applicant conflicts with the Regulation and should be annulled.

In its Reply to EURid’s Response the Complainant further contends that:

In respect of trademark registrations number 142135 and 143749 the Applicant owns prior right only with respect to the figurative mark but explicitly not with respect to the word or characters “otto”. If the Applicant cannot claim any exclusive rights to the word “otto” but only to a specific graphic sign, it cannot claim any prior right to register the Domain Name during the phased registration period.

This case has nothing to do with case no. 449 (CANDY) concerning an allegation of a registration in bad faith, in which the panel stated that question whether a prior right would be valid or not could only be decided by the respective trade mark office but not by EURid and that EURid would be bound to recognise the prior right as long as it was registered.

The Complaiant contents that theFinnish Trade Mark Office has decided, according to the official disclaimer that the Applicant has no rights to the words/characters “OTTO” itself and has restricted the Applicant’s prior rights to a specific graphic sign and the Respondent is bound to recognise the official restriction imposed by the national trade mark office.

If the Applicant cannot explicitly claim any right to the specific word “otto” it is not eligible to register a domain name based on exactly these characters during phased registration and accordingly the Respondent’s decision to accept the application filed by Automatia Pankkiautomaatit OY for the domain name “otto.eu” should be annulled

B. RESPONDENT

The Respondent submits that:

Under Article 10(1) of the Regulation only holders have prior rights which are recognised or established by national or community law shall be eligible to apply to register domain names during the phased registration before general registration for .eu domains starts.

Article 14.4 of the Regulation requires that every applicant must submit documentary evidence that shows prior rights in the relevant name which pursuant to Article 10(1) of the regulation includes valid the registered national and community trade marks.

The Validation Agent concluded from its examination of the documentary evidence it was provided with that the Applicant was the holder of prior rights in the name “otto”. The Respondent therefore accepted the Applicant’s application.

A registered national or community trade mark is considered to be a prior right under Article 10(1) of the Regulation. That Article does not require that one must be the holder of an exclusive right. If one is the holder of a registered trade mark one meets the conditions of Article 10 (1).

The fact that the Finnish trade mark states that the Applicants right in the OTTO sign is not exclusive does not mean that the Applicant has no right. It is undisputed that the Applicant is the holder of a prior right which is the registered trade mark which consists of characters “OTTO.”.

The Respondent refers to case no. 449(CANDY) in which the panel stated that:

“Additionally, the Respondent’s arguments regarding the lack of competence to evaluate the validity of a trademark shall be supported by this Panel. Nothing in the Regulation or in other related legal provisions may attribute the Registry the ability to determine whether a trade mark is valid or not.
Solely the relevant trade mark officers or the competent judicial bodies may solve such questions”.

Accordingly, the Respondent’s should not assess the merits of a prior right and must accept the existence of the prior right.

The Applicant's trade mark consists of the characters "OTTO.". Pursuant to Article 11 of the Regulation certain special characters, such as a dot (“.”), cannot be transcribed in a domain name for technical reasons. Article 11 provides that the special character must be eliminated entirely; or replaced with a hyphen or if possible, re-written. The Applicant chose the first option and eliminated the dot (“.”), which resulted in the domain name “OTTO”.

The Respondent contends that its decision to register the domain name to the Applicant is in line with the applicable rules. Therefore, the Complaint should be rejected.

DISCUSSION AND FINDINGS

Under Section 2 of the .eu Domain Name Registration Terms and Conditions, the Registry shall register domain names on a “first come, first served” basis. The Applicant, Automatia Pankkiautomaatit OY applied for the domain name “otto.eu” on 7 December 2005 at 11:10:12:671 and was the first in the queue. The Complainant applied approximately 13 minutes later at 11:23:31:990 and was third in a queue the “otto.eu” domain name

Article 10(1) of the Regulation (EC) 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 names. Article 14.4 of the Regulation requires that every applicant must submit documentary evidence that shows prior rights in the relevant name. Pursuant to Article 10(1) of the Regulation this includes valid registered national and community trade marks.

The crux of the Complaint's case is firstly that the Applicant does not have prior rights in the name “otto” because the trade mark registration on which the prior right is based is a figurative mark and secondly that the trade mark specifically disclaims exclusive rights to the word “otto”.

In respect of the Complainant's submission that the Applicant only has rights to the figurative mark and not to the word “otto” but only to the specific graphic sign, neither the Complainant nor the Respondent has referred to Section 19 (2) of the Sunrise Rules in their contentions nor responded to the Panel's invitation to comment on the relevance of Section 19 to their case. Section 19 (2) of the Sunrise Rules specifically deals with figurative marks and provides:

“A Prior Right claimed to a name included in figurative or composite signs (signs including words, devices, pictures, logos, etc.) will only be accepted if:

(i) the sign exclusively contains a name, or
(ii) the word element is predominant, and can be clearly separated or distinguished from the device element,

provided that

(a) all alphanumeric characters (including hyphens, if any) included in the sign are contained in the Domain Name applied for, in the same order as that in which they appear in the sign, and
(b) the general impression of the word is apparent, without any reasonable possibility of misreading the characters of which the sign consists or the order in which those characters appear.

The Finnish trade mark registration no.142135 on which the prior right is based is comprised of the word “otto” in yellow followed by a red dot. The Applicant's trade mark no.143749 is comprised of a square with a yellow background with the word “otto” in white followed by a red dot. In both trade marks the word element “otto” is predominant and can be clearly separated from the device element as required by Section 19 (ii) of the Sunrise Rules. Further, all alphanumeric characters included in the sign are contained in the domain name applied for in the same order that they appear in the sign. The final dot (“.”) following the word element of the mark is not an alphanumeric character but a punctuation mark which, under Article 11 of the Regulations, the Applicant has the option to eliminate entirely from the corresponding domain name for which it has applied. As the general impression of the word “otto” is apparent without any reasonable possibility of misreading the characters of which the sign consists or the order in which those character appear, the requirements of Section 19 (2) (ii) (a) and (b) of the Sunrise Rules in respect of prior rights in figurative marks have been met.

The fact that the Applicant's Finnish trade marks have the note:” Exclusive right to the word “otto is disclaimed” does not mean that the Applicant has no rights to the name. The word “otto” is in common usage in the Finnish language and means “take“ or “withdraw”. “Otto” may also be a person's name. Whilst the Applicant may not have exclusive rights to the word “otto” this does not deprive the Applicant of all rights to that name

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	**Veronica Marion Bailey**

DATE OF PANEL DECISION 2006-09-15

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Applicant filed its application for the “otto.eu” domain name on 7 December 2005 approximately thirteen minutes earlier than that of the Complainant.

The Complaint filed against EURid submitted that the Applicant did not have prior rights in the name “otto” because the trade mark registration on which the prior right was based is a figurative mark and that the trade mark specifically disclaims exclusive rights to the word “OTTO”.

The Applicant’s Finnish trade mark registration no. 142135 consists of the word “otto” in yellow followed by red dot. The word element “otto” is predominant in the mark and can be clearly separated from the device element as required by Section 19 (ii) of the Sunrise Rules. All alphanumeric characters included in the sign are contained in the domain name applied for in the same order that they appear in the sign. The final dot (“.”) following the word element of the mark is not an alphanumeric character but a punctuation mark which, under Article 11 of the Regulations, the Applicant has the option to eliminate entirely from the corresponding domain name for which it has applied. The general impression of the word “otto” is apparent without any reasonable possibility of misreading the characters of which the sign consists or the order in which those character appear. Accordingly, the requirements of Section 19 (2) (ii) (a) and (b) of the Sunrise Rules in respect of prior rights claimed in respect of figurative marks have been met.

The Finnish Trade mark registration note which states: “Exclusive right to the word “otto” is disclaimed“, does not mean that the Applicant has no rights to the name. The word “otto” is in common usage in the Finnish language. Whilst there may not be exclusive rights to the word “otto” this does not deprive the Applicant of all rights to that name.

The Complaint is therefore denied.