Panel Decision for dispute CAC-ADREU-002150

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Case administrator

Name	Tereza Bartošková

Complainant

Organization / Name	B.V. Meubelfabriek Gebroeders van der Stroom te Culemborg

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 I am aware that are pending or decided and that relate to the disputed domain name.

FACTUAL BACKGROUND

1. The Complainant is B.V. Meubelfabriek Gebroeders van der Stroom te Culemborg, a company registered and based in the Netherlands.

2. The Complainant is, and has been since 1997, the proprietor of the Benelux device trade mark which consists of the words DUTCH ORIGINALS in front of two traditional clogs pointing downwards (the "Trade Mark").

3. An application for registration of <dutchoriginals.eu> (the "Domain Name") was made on 7 December 2005 (the "Application") by a company called Gebroeders van der Stroom B.V. (the "Applicant").

4. On 16 January 2006, the Complainant submitted a copy of the original certificate of the Trade Mark registered in the name of the Complainant in support of the Application.

5. On 18 May 2006, the Respondent rejected the Application for registration of the Domain Name. According to the Complainant, the Respondent informed the Complainant that this was because the name of the Applicant was not identical with the holder of the Trade Mark and therefore the Applicant did not have the prior rights necessary to register the Domain Name.

6. The Complainant submitted its Complaint, which was received by the Czech Arbitration Court on 4 July 2006.

7. On 11 September 2006 I (Matthew Harris) was appointed as the panelist in this matter having filed the necessary Statement of Acceptance and Declaration of Impartiality and Independence.

A. COMPLAINANT

In its original Complaint the Complainant contends as follows:

(a) the Complainant and the Applicant are one and the same company and therefore both the holder of the Trade Mark and the Applicant are the same company in accordance with Section 11(3) of the .eu Registration Policy and Terms and Conditions for Domain Name Applications made during the Phased Registration Period (the "Sunrise Rules").

(b) the Complainant uses the name of the Applicant (a shortened version of the name of the Complainant) because of the length of its

statutory name.

(c) the addresses of both the Trade Mark holder and the Applicant are identical and therefore there was no reason for the Respondent to have any doubts about the Applicant being the same company as the Trade Mark holder. In addition, the Complainant's website at <dutchoriginals.nl> contains both names used for the same company. Therefore, "in performing due diligence" in this case, the Validation Agent should have concluded that the Complainant (the holder of the Trade Mark) and the Applicant were the same company and proceeded with the registration.

In a subsequent Non Standard Communication dated 11 September 2006 (the "Reply") the Complainant also maintains that the trade mark rights relied upon does not involve the alphanumeric elements "D DUTCH ORIGINALS" (as the Respondent contends) but "DUTCH ORIGINALS". It provides a further copy of the trade mark certificate of the trade mark relied upon to show that this is the case. (I deal with the issue of the admissibility of these contentions and evidence in greater detail below.)

Accordingly, the Complainant requests the annulment of the Respondent's decision to reject the Application and the registration of the Domain Name in the name of the Complainant.

B. RESPONDENT

The Respondent (which is the Registry, EURid) contends as follows:

(a) Article 10(1) of the Commission Regulation (EC) no. 874/2004 of 28 April 2004 (the "Regulation") states that only holders of "prior rights" which are recognised or established by national or community law shall be eligible to apply for a .eu domain name "during a period of phased registration before general registration of .eu domain starts" (i.e. the "Sunrise Period").

(b) Pursuant to Article 14 of the Regulation, the applicant must submit documentary evidence showing that he or she is the holder of the prior right claimed on the name in question. The validation agent will decide whether the applicant has prior rights in the name based on this evidence.

(c) The names of the Applicant and the owner of the Trade Mark are different. Where this is the case, Section 20 of the Sunrise Rules requires evidence to be provided demonstrating how the Applicant is entitled to rely upon a prior right owned by another person or company. No documentary evidence was provided explaining the difference between the Applicant and the name of the Trade Mark owner.

(d) Article 10(2) of the Regulation states that a domain name applied for during the Sunrise Period must consist of the complete name of the prior right on which the application is based.

(e) Section 19(2) of the Sunrise Rules states that a "prior right claimed to a name included in figurative or composite signs … 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."

(f) The Trade Mark submitted consists of the words DUTCH ORIGINALS with "a stylized letter D in the back". Therefore, this "trade mark consists of the alphanumerical elements 'D DUTCH ORIGINALS'" and not of the complete name of the prior right on which the Application is based.

Accordingly, the Respondent claims it rightly rejected the Application and the complaint should be denied.

DISCUSSION AND FINDINGS

1. Before proceeding to discuss the substance of the Complaint, it is necessary to consider whether any notice should be taken of the

Complainant's Reply. This document was filed in direct response to EURid's allegation that the Trade Mark indicated that the prior rights in question were in the name D DUTCH ORIGINALS and not DUTCH ORIGINALS and that therefore the Complainant did not hold prior rights in the "complete" relevant name as required by Article 10 of the Regulations.

2. In the Complaint the Complainant records the fact that the reason orally given by EURid to the Complainant for rejecting the application was the difference between the name given by the Applicant and the name to be found on trade mark certificate for the trade mark relied upon to found a claim to Prior Rights. The Complainant maintains, and EURid does not deny, that EURid had not previously communicated the separate allegation of a lack of rights in an identical name. Therefore, if I were to ignore the Complainant's subsequent submission, the Complainant would have had no opportunity to respond to what is a new allegation raised by EURid for the first time in its Response. This would clearly be procedurally unfair to the Complainant and in the circumstances, I am prepared to consider the Complainant's additional submissions in the Reply.

2. I note that this is not the first time that a complainant has made such a point and additional submissions have been permitted (see for example AG Blatná, družstvo v EURid 00827). Obviously, if a potential complainant is told in advance why his application has been rejected then subsequent ADR proceedings can be dealt with more efficiently (and possibly be avoided in their entirety).

3. I turn now to the substance of the Complaint. The Complainant has brought proceedings against EURid under Article 22(1)(b) of the Regulation. Under Article 22(11) of the Regulation I am required to decide whether EURid's decision to refuse the Complainant's application for the Domain Name conflicts with the Regulation or with Regulation 733/2002 of the European Parliament and of the Council (which is the legislation under which the Regulation is made).

4 Article 10(1) of the Regulation states that only holders of "prior rights" which are recognised or established by national or community law shall be eligible to apply for a .eu domain name "during a period of phased registration before general registration of .eu domain starts" (i.e. the "Sunrise Period").

5. The manner in which applications in the Sunrise Period are to be dealt with is set out in Articles 12 to 14 of the Regulation. Article 14 of the Regulation provides that where a "prior right" such as a registered trade mark is claimed, the applicant "shall submit documentary evidence that shows that he or she is the holder of the prior right claimed on the name in question". It further goes on to assert that "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 [earlier in Article 14]".

6. Article 14 of the Regulation is therefore quite clear. The domain name applicant bears the burden of proving that it possesses the relevant prior right and this prior right must be evidenced in the documentary evidence of that right submitted to the validation agent.

7. In this case there was a mismatch between the name "B.V. Meubelfabreik Gebroeders van der Stroom te Culemborg" given on the Trade Mark certificate and the name "Gebroeders van der Stroom B.V." on the application form. These differences are not insignificant. They are not mere typographical errors. I accept the Complainant's contention that the most distinctive element in each name is the same i.e. "Gebroeders van der Stroom" (Dutch for the "Van der Stroom Brothers") and each is stated to have the same address. However, I do not accept that this means that, as the Complainant contends, "it is still clear and recognizable that both names apply to one and the same company". I am willing to accept that someone looking at this material is likely to conclude that the companies are to some degree connected and/or that the Complainant may have adopted some form of abbreviation and/or made some form of mistake in filling out the form. However, to my mind this is not sufficient. In a case such as this the applicant must show that he is the trade mark holder. I am therefore far from convinced that in this case the Complainant has satisfied the requirements of Article 14 of the Regulation.

8. Of course, EURid does not only rely upon the terms of the Regulation but also upon the Sunrise Rules. How is it that these are relevant? In Gerkan Marg und Partner v EURid CAC Case No. 0954 <gmp.eu> the panel held that failure to comply with the Sunrise Rules justified EURid rejecting an application. In contrast, the panel in Cosnova GmbH v EURid CAC Case No 01071 <essence.eu> (expressly disagreeing with the approach taken by the panel in Gerkan Marg und Partner v EURid) held that EURid was not entitled to reject applications for failing to comply with the Sunrise Rules "regardless of whether the applications comply with the Regulations".

9. I entirely accept that compliance with the Regulations (i.e. the Regulation and the legislation on which it is based) is key. Indeed, as Article 22 (b) of the Regulation makes clear, the current proceedings are brought on the grounds that EURid's decision conflicts with the Regulations and consequently my role as a panelist is defined accordingly. However, I do not think that prevents a panelist from taking the Sunrise Rules into account. Under Article 12(2) of the Regulation, EURid was required to:

"publish on its website two months before the beginning of the phased registration a detailed description of all the technical and administrative measures that it shall use to ensure a proper, fair and technically sound administration of the phased registration period".

10. Pursuant to this requirement the Sunrise Rules were published. The Sunrise Rules set out detailed rules as to the procedures to be followed in applying for a domain name in the Sunrise Period and the evidence to be provided so far as different types of prior rights are concerned.

11. If and insofar as the Sunrise Rules conflict with the Regulations, the Regulations must prevail. However, the Sunrise Rules are also expressly contemplated and mandated by the Regulation. They are the means through which the Regulation's requirement that there be a "proper, fair and technically sound administration" of all Sunrise applications should be effected. In the circumstances, I think it will usually be appropriate for a panel to take into account compliance or non-compliance with those aspects of the Sunrise Rules which set down the procedures and processes to be followed by a Sunrise applicant.

12. In this case, as EURid contends, Section 20.3 of the Sunrise Rules is potentially relevant. This provides that:

"If … the Documentary Evidence provided does not clearly indicate the name of the Applicant as being the holder of the Prior Right claimed (e.g. because the Applicant has become subject to a name change, a merger, the Prior Right has become subject to a de jure transfer, etc), the Applicant must submit official documents substantiating that it is the same person as or the legal successor to the person indicated in the Documentary Evidence as being the holder of the Prior Right."

13. In this case the Complainant did not comply with Section 20.3 of the Sunrise Rules since the Documentary Evidence provided did not "clearly indicate" that the "name of the Applicant as being the holder of the Prior Right".

14. Against this the Complainant makes a number of points.

15. Firstly, it contends that had EURid (or the Validation Agent) "consulted the website that corresponds to the Domain Name at www.dutchoriginals.nl it would have found that both names are used for the same company".

16. I have a difficulty with this contention on a number of levels. Why it is that it would have or should have been obvious to consult this particular website, is not really explained. Is the Complainant really saying that the Validation Agent should in all cases determine where the applicant is located and then perform a check on the relevant ccTLD equivalent of the .eu Domain Name for which an application is made? Further, I am not convinced that in this case the material to be found at that website does indeed show that the Complainant uses "both names". The Complainant provides as evidence a copy of one page from its website. In the small print at the bottom of that page "B.V. Meubelfabriek Gebroeders van der Stroom" is idenified as the owner of the "Dutch Originals … registered brand name". There is then a copyright notice in the name of "B.V. Gebroeders van der Stroom" and then somewhat confusingly a separate copyright notice in the name of "Euro Technologies". It seems to be that (even if one is prepared to assume that "B.V. Meubelfabriek Gebroeders van der Stroom" and "B.V. Meubelfabriek Gebroeders van der Stroom te Culemborg" are the same) this does little more than reinforce the impression (that already arises out of the commonality of addresses) that the entities are connected. This in my view is not enough.

17. However, there is an even more fundamental objection to the Complainant's contention. That is that the contention precedes on the assumption that EURid or the Validation Agent is somehow obliged to "put some effort in establishing if the applicant of a domain name and the holder of the prior right are one and the same if - as in this case - the identifiers of the applicant and holder of the prior right are not identical". I do not think that this is correct. Nothing in the Regulation requires EURid or the Validation Agent to perform such enquiries and indeed any such requirement to make the applicant's case would be hard to square with the fact that under Article 14 it is the applicant that bears the burden of proof. This is echoed in the Sunrise Rules and in particular section 21(3) of the Sunrise Rules which grants the Validation Agent "sole discretion" to "conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced". For these reasons I prefer the approach adopted by the panel on this issue in cases such as BPW Bergische Achsen KG v EURid CAC Case No. 00127 <bpw.eu>, von Gerkan Marg und Partner v EURid CAC Case No. 00954 <gmp.eu> and Ultrasun International B.V. v EURid Case No. 00541 <ultrasun.eu>, rather than the approach followed in cases such as Ernst Schoeller GmbH + Co. KG v EURid CAC Case No. 00253 <schoeller.eu>.

18. In support of its position, the Complainant also relies upon the decision in Christian Riege v EURid CAC Case No. 00396 <capri.eu>. It appears that there was in this case a difference not only between the name of the applicant and the name given on the trade mark certificate relied upon but also there was a difference in addresses. Nevertheless, the panel overturned the decision of EURid that the application be rejected.

19. The reasoning given in CAPRI is not that detailed but is perhaps encapsulated in that part of the decision (directly relied upon by the Complainant in this case) that states that "the justice shall always rule over the formalistic approach and technical means of communication". No one would argue against the application of justice. "Justice" or, to adopt the wording of the Regulation, "fairness" is

positively required by the Regulation. However, it seems to me that this somewhat begs the question “justice or fairness to whom?”.

20. In CAPRI the panelist talks of fairness to the applicant but there are potentially competing interests here. In many cases more than one entity will have applied under the Sunrise procedure. Whilst an applicant may not think it is “fair” that it has been denied a domain name because it has failed to comply with a “technical” or “formal” requirement of the Sunrise Rules, any entity that is next in line for that domain and that has taken the trouble to properly comply with the Sunrise Rules requirements is likely to see matters very differently.

21. Further, given the large number of forecast and actual .eu applications it is not surprising that the Respondent’s position is that the Sunrise Rules should be complied with strictly so as to ensure that the Sunrise phases be implemented in an orderly, efficient and consistent manner. Whilst the phrase “proper, fair and technically sound administration” to be found in Article 12 of the Regulation is somewhat vague, I think that these aims are properly encompassed in its terms. Indeed, in Richard Canten (Koninklijke KPN N.V.) v EURid CAC Case No. 01627 <planetinternet.eu>, the panelist went so far as to state that "strict rules are indeed essential to manage the validation of hundreds of thousands of domain name applications".

22. I accept that the decisions of CAC panels on this issue to date have not been entirely consistent. There have been a number of cases in which applications have been held to have been wrongly rejected where there has not been compliance with the Sunrise Rules (of which CAPRI is one example). In contrast, there is a line of cases in which the panel has upheld the importance of compliance with the Sunrise Rules (e.g. Mitsubishi Motors Europe B.V. v EURid CAC Case No. 00294 <colt.eu>, Vivendi Universal v EURid CAC Case No. 00551 <vivendi.eu> and Rolf Rohwedder v EURid CAC Case No. 00984 <isabella.eu>). The former cases tend to appeal to the terms of the Regulation to justify their decision and, and the latter tend to justify their approach by reference to the Sunrise Rules.

23. Whilst I accept that the Regulation ultimately prevails, for the reasons I have explained in detail above, I do not think this means that the provisions of the Sunrise Rules can therefore be ignored. Furthermore, even if I am wrong in this respect, the fact remains that under Article 14 of the Regulation the burden of proof of showing the existence of prior rights rests on the applicant. I am not convinced that in this case the Complainant satisfied Article 14 of the Regulation in any event.

24. Lastly, the Complainant relies upon a previous decision in which I was also the panelist; ie DMC Design for Media and Communication GmbH v EURid CAC Case No. 00232 <dmc.eu>. It is quoted by the Complainant as authority for the proposition that it is not unreasonable “to expect EURid and its validation agents to be familiar with the operation of the basic identifiers used to designate different company and business types in different member states”. However, it is difficult to see how this decision is really of any assistance to the Complainant in this case. The Complainant does not suggest, nor is any evidence to support the proposition, that as a matter of the operation of Dutch law that “B.V. Meubelfabreik Gebroeders van der Stroom te Culemborg” and “Gebroeders van der Stroom B.V.” are either the same entity, or part of the same “organisation” under article 4(2) of Regulation 733/2002.

25. In the circumstances, I conclude that the difference in names on the Complainant’s Sunrise application and on the copy trade mark certificate provided in support of that application were such that EURid was legitimately entitled to reject the Complainant’s application.

26. This is sufficient to dispose of this matter, but I will also go on to deal with EURid’s second contention in this case; i.e. that the trade mark relied upon does not constitute the name of the domain name applied for and therefore no prior right exists for the Domain Name.

27. EURid claims that the trade mark consists of "the words Dutch Originals with a stylized letter D in the back" and therefore, in accordance with Section 19(2) of the Sunrise Rules, the name for which a prior right could be claimed from the trade mark is "D DUTCH ORIGINALS".

28. It is true that, the copy of the trade mark certificate which EURid states was provided by the Complainant to support its application is of poor quality. On that copy the image behind the words DUTCH ORIGINALS is not entirely clear. Whether this was so on the copy that was provided by the Complainant at the time of the application is uncertain and neither party addresses this in their submission. As I have said above, it is the applicant who bears the burden of proof under Article 14 to provide the documentary evidence of prior rights under the sunrise application process. It is clear from the cleaner trade mark certificate provided by the Complainant in the course of the proceedings that there is no D behind the words DUTCH ORIGINALS in the trade mark. However, the question that I have to address is whether the copy certificate provided to the Validation Agent did or did not show the relevant Prior Rights.

29. Nevertheless, even on the basis of the poor copy certificate that I have seen accurately represents what was provided to the Validation Agent, I think that EURid has adopted an unrealistic reading of this document. It takes in my mind too much of a strained imaginative effort to discern the letter ‘D’ behind the words DUTCH ORIGINALS, or indeed any letter, shape or image other than a picture of two clogs pointing downwards.

30. It appears that this point is something that first occurred to EURid in the process of preparing its submissions in this case, rather than something that was really in the Validation Agent's mind at the time that the application was rejected. It is noticeable that this point was not mentioned to the Complainant during the oral discussions that took place between EURid and the Complainant prior to the commencement of these proceedings. If the Validation Agent when first examining the Documentary Evidence provided did not see an extra "D" in the copy of the mark provided, this fortifies me in my view that no extra D can be sensibly discerned. EURid's submission in this respect fails. However, that failure makes no difference to the outcome to this case.

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	**Matthew Harris**

DATE OF PANEL DECISION 2006-10-03

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant's Domain Name application was rejected by the Respondent where the name of the Trade Mark holder did not match the name on the Application, contrary to Articles 10 and 14 of the Regulation and Section 20 of the Sunrise Rules. In addition, the Respondent alleged that the Trade Mark did not constitute the name of the domain name applied for and therefore no prior right existed for the Domain Name.

The Complainant contended as follows:

1. The Complainant (the entity listed as the Trade Mark holder) and the Applicant were one and the same company.

2. The Complainant used the name of the Applicant (a shortened version of the name of the Complainant) because of the length of its statutory name.

3. The addresses of both the Complainant and the Applicant were identical and therefore there was no reason for the Respondent to have any doubts about the Applicant being the same company as the Complainant. In addition, the Complainant's website at <dutchoriginals.nl> contained both names used for the same entity. Therefore, the Validation Agent should have concluded that the Complainant and the Applicant were the same company.

The Panel held as follows:

1. Whilst the Panel accepted that the Applicant and the Complainant were one and the same, the differences between the name given on the Application and on the Trade Mark certificate relied upon in relation to the Application were such that the Complainant had failed to satisfy the burden of proof placed upon it by Article 14 of the Regulation.

2. Whilst in the case of conflict the terms of the Regulation prevail over the terms of the Sunrise Rules, the Sunrise Rules are contemplated by the Regulation and it is legitimate to take into account the provisions of the Sunrise Rules, when considering whether the Registry, EURid, acted in compliance with the Regulation when refusing to allow a <.eu> application under the Sunrise Procedure. In this case the Complainant had failed to comply with Section 20.3 of the Sunrise Rules.

3. The Complainant's contentions that the Respondent should have made its own enquiries as to whether the trade mark holder and the Applicant were the same entity were unfounded. Such investigation is not required by the Regulation and Section 21.3 that of the Sunrise Rules made it clear that such investigation was solely at the option of the Validation Agent. Indeed, requiring a Validation Agent to make such enquiries would arguably be at odds with the provisions of Article 14 of the Regulation.

4 The Respondent's allegation that the copy trade mark certificate provided did not show prior rights in the name "DUTCH ORIGINALS" but instead prior rights in the name "D DUTCH ORIGINALS" was rejected. It was based upon a reading of an additional letter behind the main textual elements in the Trade Mark that was unrealistic and involved far too much imaginative effort. This aspect of the Respondent's case failed, although this did not make a difference to the outcome of the case.

The Panel accordingly directed that the Complainant be denied.