Panel Decision for dispute CAC-ADREU-002185

Case number	**CAC-ADREU-002185**
Time of filing	**2006-07-10 11:24:42**
Domain names	**antwerpen.eu, antwerp.eu**

Case administrator

Name	**Kateřina Fáberová**

Complainant

Organization / Name	**Digipolis, Ms Ann - Fournier, -**

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

None known

FACTUAL BACKGROUND

The Complainant is a public corporation whose task is to manage, operate, develop and promote telematics for its members, which consist of local public authorities, including the City of Antwerp.

The Complainant applied for registration of the Domain Names under the phased registration ("Sunrise") period pursuant to article 10(1) of Commission Regulation EC number 874/2004 ("the 2004 Regulation"). However, its application was not successful as another party, Parknet BV, had submitted an earlier application for the Domain Names. In fact the Complainant submitted the first application in time but then failed to submit the supporting documentation within the relevant deadline. The next application in time was by Parknet BV (again without supporting documents) and the next one again by Parknet (this time with supporting documents) and then finally another application by the Complainant with supporting documentation.

Parknet BV's application for the Domain Names was based on a Benelux trademark, number 796689 which was applied for on 28 March 2006 and granted on 30 March 2006. The form of the trademark comprises two interrupted lines between which the alphanumerical characters "ANTWERP &!" are written.

If the symbols "&" (the ampersand) and "!" are removed from Parknet BV's trademark, the word element of this mark will read as ANTWERP. Other Benelux marks were lodged in a similar form by Parknet BV for other European cities such as Bucharest (BUCH & AREST) and Belgrade (BEL & GRADE) and names of various countries (including BANGLA & DESH and AFG & HANISTAN).

The Respondent approved the application and registered the Domain Names in the name of Parknet BV.

Section 2 of the Sunrise Rules provides that where the Respondent finds that an applicant has demonstrated a prior right such as a relevant trademark registration, it shall register domain names on a first come, first served basis.

In this case the Respondent found that the Benelux trademark described above constituted a relevant prior right and as Parknet BV's application predated that of the Complainant, the Respondent registered the Domain Names in the name of Parknet BV. The Complainant is now the next applicant in the queue for the Domain Names.

On 3 July 2006 the Complainant filed a Complaint with the Czech Arbitration Court against the validation of the Domain Names. The formal date of commencement of the ADR proceedings was 17 July 2006.

The Complainant's application is made pursuant to section 22.2 of the Sunrise rules. This provides that an interested party may initiate an ADR proceeding against the Respondent if it considers that the Respondent failed to comply with Regulation (EC) number 733/2002 ("the 2002 Regulation") and the 2004 Regulation when it decided to register a domain name.

The relevant provisions of the 2004 Regulation are Articles 3(c), 10.2 and 11.

Article 3(c) provides that each applicant for a domain name must affirm that its request for a domain name registration is made in good faith and does not infringe any rights of a third party. A material inaccuracy will constitute a breach of the terms of the registration.

Article 10.2 provides that a domain name 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 11 provides that, "[a]s far as the registration of complete names is concerned, where such names comprise a space between the textual or word elements, identicality shall be deemed to exist between such complete names and the same names written with a hyphen between the word elements or combined in one word in the domain name applied for.

Where the name for which prior rights are claimed contains special characters, spaces, or punctuations, these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible, rewritten. Special characters and punctuations as referred to in the second paragraph shall include the following:
~@#$%^&*()+=<>{}[]| \ /:;',.?" "

A. COMPLAINANT

The City of Antwerp is the second biggest Belgian city. It enjoys a great reputation both on an economic and cultural level and attracts thousands of tourists every day.

As part of its mandate as a public corporate body, the Complainant is responsible for the management of domain names on behalf of the City of Antwerp.

The Complainant tried to obtain the Domain Names during the Sunrise period but its application was unsuccessful as its application post-dated that of Parknet BV and the Respondent decided to grant the Domain Names to that company.

The Complainant contends that the Respondent's decision to accept Parknet BV's application contravenes the 2002 and 2004 Regulations. The Complaint is based on two separate arguments; the first relates to the issue of bad faith and the second relates to the construction of articles 10.2 and 11 of the 2004 Regulation.

First ground

The Complainant contends that the Domain Names were acquired by Parknet BV in bad faith. To support this allegation the Complainant relies on the following facts:

Parknet BV filed a total of 774 Benelux trademarks, 40 of which relate to geographical names. Some of these trademarks have identical decorative elements (such as interrupted red or pink lines) and others are mere word marks. All, however, consist of geographical names that are split in the middle such as AFG & HANISTAN, BAH & AMAS, BANGLA & DESH and were registered between January and April 2006. The Complainant argues that these facts clearly indicate that the trademarks were registered for the purpose of invoking the registrations as prior rights in the Sunrise period and thus in order to register the quasi corresponding geographical domain names.

Article 4.2(a) of the 2002 Regulation provides that the Respondent shall "organise, administer and manage the .eu TLD in the general interest and on the basis of principles of quality, efficiency, reliability and accessibility".

Article 3(c) of the 2004 Regulation requires that any application for a domain name must include an affirmation from the applicant that the application is made in good faith and does not infringe any third party rights. It is further provided that any material inaccuracy shall constitute a breach of the terms of registration.

The Complainant argues that in light of the factual circumstances described above (relating to the trademark portfolio of the applicant Parknet BV) and the fact that geographical names are particularly vulnerable for cybersquatting, the Respondent should have noticed the inaccuracy of the declaration of good faith made by Parknet BV.

The Complainant contends that the Respondent was under an obligation to at least marginally assess whether the requirements in article 3(c) of the 2004 Regulation were fulfilled and whether the declarations made by the applicant were accurate. The Respondent's failure to make this assessment rendered the requirement of article 3(c) futile. According to the Complainant, this means that the Respondent did not manage the .eu TLD in the general interest and that its decision to grant the Domain Names to Parknet BV thus contravened article article 4.2(a) of the 2002 Regulation.

Second ground

The Complainant contends that the Respondent's decision to grant the Domain Names to Parknet BV on the basis of Parknet BV's trademark for ANTWERP & ! conflicts with article 10.2 and 11 of the 2004 Regulation.

Article 10.2 provides that a domain name 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 11 of the 2004 Regulation provides that where the name for which prior rights are claimed contains special characters or punctuations, these shall be eliminated entirely from the corresponding domain name, replaced with hyphens, or, if possible rewritten.

The Complainant submits that applicants for .eu domain names do not have an unfettered choice between the three options set out in article 11, namely (1) eliminating special characters, (2) replacing special characters with hyphens and (3) if possible, rewriting special characters.

The Complainant argues that its submission in this respect is supported by previous decisions such as the FRANKFURT case (case number 394) and the BARCELONA case (case number 398). In the FRANKFURT case, the Panel decided that the domain name <Frankfurt.eu> should not have been granted to the owner of a trademark registration for FRANKF & URT. In its reasoning, the Panel pointed out that Recital 12 of the 2004 Regulation requires validation agents to assess the right which is claimed in respect of a particular name and that the word "assess" implied at least some degree of judgment. The Panel thus held that the automatic acceptance of the substitution of the special character "&" for any of the three options mentioned in Article 11 at the choice of the applicant did not comply with this requirement and the application for the domain name <Frankfurt.eu>was thus rejected. In the BARCELONA case the Panel considered that it should be presumed that the words "if possible" in article 11 are not otiose. They must be intended to affect the meaning of a phrase which would otherwise give the applicant an entirely free hand, by requiring it to rewrite the name to deal with special characters where that is possible. The Panel thus upheld the complaint relating to an application for the domain name <Barcelona.eu> on the basis of a trademark registration for BARC & ELONA.

The Complainant submits that in the present case it is possible to rewrite the trademark ANTWERP & ! and therefore, in accordance with the FRANKFURT and BARCELONA decisions, the trademark when invoked as a prior right should have been rewritten as "antwerpandexclamationmark.eu" and/or "antwerp-and-exclamationmark.eu" and should not have been accepted as a prior right for the Domain Names.

B. RESPONDENT

The Respondent contends that it acted in conformity with Article 4.2(a) of the 2002 Regulation and Articles 10.2 and 11 of the 2004 Regulation.

First ground

The Respondent contends that it has no obligation to investigate whether an application is made in good faith or not.

Article 4(2) of the 2002 Regulation does not require the Respondent to assess on a case-by-case basis whether a domain name application is in the general interest. The Respondent's duty is to organise, administer and manage the .eu TLD in the general interest and on the basis of quality, efficiency, reliability and accessibility. The Respondent contends that it has complied with this duty by putting procedures in place which are in line with the general interest such as the Sunrise rules and the Registration Policy.

The Respondent further states that according to article 22(1)(a) of the 2004 Regulation, the issue of bad faith should be assessed in the context of an ADR proceeding against the domain name holder itself. In this context the Respondent refers to the decisions in URLAUB (case number 532), TOS (case number 382), AUTOTRADER (case number 191), MEDIATION (case number 335), LOTTO (case number 685), PESA (case number 1239) and FEE (case number 1317).

The Respondent contends that it is not in a position to defend a third party's good faith and submits that it would be unfair to judge the issue of bad faith without giving the applicant the opportunity to make representations.

Second ground

The Respondent contends that where the prior right relied upon in an application for a .eu domain name contains one or more special characters which cannot be part of a domain name, article 11 provides three options to comply with article 10.2. Where special characters can be rewritten, the applicant has three options available to it under article 11. However, it is not always possible to rewrite special characters (such as the character *) and this is reflected by use of the words "if possible" in relation to the third option. Prior rights containing special characters which cannot easily be rewritten should therefore only have two options to choose from.

The Respondent submits that the decision which option to follow must be made by the applicant itself as the Regulation does not give the Respondent any right or obligation to make such a choice. In this context the Respondent refers to the decision in the URLAUB case (case number 532) in which the Panel decided that the transliteration of "u*r*l*a*u*b" to "URLAUB" was correct and complied with the Regulation.

The Respondent contends that the Regulations do not intend to force applicants with prior rights containing special characters to rewrite these in full. The 2004 Regulation expressly states that the option to rewrite a special character is conditional upon it being possible to do so. Whilst it is possible to use the words "exclamation mark" or corresponding expressions in other languages, the Respondent rejects the suggestion that this is what the Regulations intend to require the applicant to do as the resulting domain names would be effectively useless.

The Respondent points out that the Regulation does not specify a specific language in which to rewrite special characters. In addition, any choice of a particular language may segregate the internal market and should thus be avoided if possible.

The Respondent submits that, in its view, the construction of the relevant rules applied in the FRANKFURT and BARCELONA decisions was incorrect. In the BARCELONA case the Panel implied that in order to give a meaning to the words " if possible" in article 11, the provision should be read as an obligation to rewrite the special character when this is possible. However, the Respondent contends that this interpretation of article 11 does not take into account the word "or" before the words "if possible". The Respondent submits that the word "or" clearly indicates an alternative choice in the three options. An obligation can only be implied if the relevant part of the paragraph included the word "and" instead of "or".

In relation to the FRANKFURT case, the Respondent contends that it is not obliged to make a choice for the applicant and to assess the most appropriate way to deal with special characters. If the Regulations intended that the Respondent should, in specific cases, refuse one of the three options listed in article 11, this should be expressly stated in the 2004 Regulation or at least the Sunrise Rules. The Regulations do not empower the Respondent to rule on the merits of a prior right. Instead, the Respondent is only obliged to assess whether an applicant has chosen either of the three options available under article 11. If an applicant has done so, its application must be accepted.

On 20 September 2006 the Respondent submitted an additional submission for the attention of the Panel.

In its additional submission, the Respondent refers to the recent decision in the OXFORD case (case number 1867). In this case the Respondent had accepted an application for the domain name <Oxford.eu> on the basis of a trademark for OXF & ORD. The Complainant, University of Oxford, argued that the application was made in bad faith and that the Respondent should not have automatically accepted any of the three options provided for in Article 11, but should make an assessment of whether the particular option chosen is appropriate in light of the .eu domain name applied for and the prior right supporting that application. The Panel, consisting of three members, rejected the Complaint. In its decision the Panel observed that "[i]n the Panel's view, Respondent hasn't been unreasonable when it decided to validate the Parknet application, notably because the elimination of the special character is indeed one of the possibilities created by article 11 and because the elimination of the "&" symbol is as good as another solution for that trademark. " The Panel acknowledged that article 11 enabled applicants to register a great number of trademarks with special characters in order to acquire domain names which they would not otherwise be entitled to under the Sunrise rules thereby circumventing the purpose of article 11. The Panel further acknowledged that a number of previous decisions had upheld Complaints submitted on that basis. However, the Panel insisted that the facts surrounding the relevant application cannot be taken into account in the verification process. Instead, such circumstances would likely to be relevant for an article 20 revocation by Eurid or an article 21 procedure launched by the Complainant.

On the issue of the relief claimed by the Complainant, the Respondent submits in its original Response that if the Complaint was upheld

two further conditions must be met before the Panel may order the transfer of the Domain Names to the Complainant. First, the Complainant must be the next applicant in the queue for the Domain Names. Second, the Respondent must confirm that the Complainant satisfies all registration criteria set out in the 2004 Regulation. Consequently, should the Panel consider that the Respondent's decision should be annulled, the Complainant's transfer request must be rejected in any event as the second condition has not yet been established.

DISCUSSION AND FINDINGS

The first ground of the Complaint

Article 3(c) of the 2004 Regulation provides that an applicant must affirm that its request for a domain name registration is made in good faith and does not infringe any rights of a third party. A material inaccuracy will constitute a breach of the terms of the registration. Therefore, if the application made by Parknet BV is indeed made in bad faith or if Parknet BV was aware of any third party conflicting rights the applicant will be in breach of Article 3(c).

The Complainant has highlighted a number of facts which in the present case suggest that the Domain Names have been applied for in bad faith. However, the Regulations do not oblige the Respondent to make any assessment on the issue of bad faith during the application process nor do the Regulations provide for a mechanism by which an applicant could make representations on the issue. In this context the Panel refers to the decision in LIVE (case number 265) in which it was observed that "bad faith is not a valid reason to revoke the domain at issue because these are not grounds that the validation agent should have assessed in the sunrise period. Therefore, it is not possible to apply those rules now." This approach is also supported by the decisions in TOS (case number 382) and AUTOTRADER (case number 191).

The Panel therefore does not accept that the Respondent's decision contravenes the provisions of article 4.2 (a) of the 2002 Regulation. As the Respondent points out, separate proceedings are available to the Complainant to take action against the applicant under Article 22 1 (a) of the Regulation if it considers that the applicant's registration is speculative or abusive.

The second ground

Procedural issues

Before the Panel considers the substantive issues in relation to the second ground, it is necessary to briefly deal with the procedural issues arising in connection with the Respondent's additional submission, dated 20 September 2006. In accordance with paragraph 8 of the .eu Alternative Dispute Resolution Rules ("the ADR Rules"), the Panel may admit, in its sole discretion, further statements or documents from either party to the proceeding. The exercise of this discretion is subject to the general duty set out in paragraph 7(a) of the ADR Rules, namely that the Panel must ensure that the parties are treated fairly and with equality. In the present circumstances, the additional statement submitted by the Respondent deals exclusively with the recent decision in the OXFORD case. As this decision was published after the date on which the Respondent submitted its initial Response, it could not have been submitted at an earlier stage. Moreover, the Panel is conscious that the subject matter of the OXFORD decision is a matter of public record and does not fundamentally change the basis of the Respondent's case as set out in its initial Response. It is simply another example of the approach which a different panel has taken in another case. Accordingly, the Panel has noted the contents of the panel's decision in the OXFORD case but it is not bound to follow its reasoning.

Substantive issues and principles of construction of the Regulations

Article 11 of the 2004 Regulation sets out how the Respondent is to deal with applications which are based upon a prior right which contains special characters. The provision contains a list of such special characters. This list includes the symbol "&" but does not include the symbol "!". However, the list set out in article 11 is non-exhaustive ("special characters…shall include the following") and the Panel is satisfied that for the purpose of article 11, the symbol "!" is to be regarded as a special character or punctuation.

As has been observed in previous decisions, the provisions of article 10.2 and 11 are not without ambiguity and have given rise to varying interpretations in cases including OXFORD (case number 1867), FRANKFURT (case number 394) and BARCELONA (case number 398).

One of the principal difficulties with the interpretation of this provision is that the list of typographical symbols listed in Article 11 Part 2 are accorded very different treatment in practice and no provision is made for this by the wording of the Article. In particular, some typographical symbols would be accorded much greater significance than others when determining what would constitute the "complete name" which is to form the basis of the registration of the prior right under Article 10.2.

To take one example, the use of brackets would generally be regarded as insignificant. So, if a party whose registered right was Myname(Manchester) applied for MynameManchester.eu (that is it simply deleted the special characters from its name) this would generally be perceived as a name which corresponded to “the complete name for which the prior right exists” as required by Article 10.2.

To take another example, the use of symbols which denote currency would often be treated differently as they would normally be accorded greater significance. So, if the registered mark was $29, it might generally be considered that the name which corresponded to the complete name was 29 dollars.

Lastly, the use of the ampersand is generally accorded still greater significance. It is not usually disregarded when considering what constitutes a complete name. To take a specific example, the leading UK retailer Marks & Spencer has its website at MarksandSpencer.com. It would generally be considered that its complete name is Marks & Spencer (or, perhaps, Marks and Spencer) but not MarksSpencer.

To this extent, Articles 10.2 and Article 11.2 are in conflict as Article 10.2 requires registration of the complete name but Article 11.2 does not, on its face, reflect the fact that different typographical symbols will be accorded a different weight in determining what constitutes the complete name.

It is said by the Respondent that it has an unfettered choice as to which of the 3 courses set out in Article 11 it follows. Previous cases have examined whether the three options set out in article 11 are all available or whether there are circumstances in which one option should be followed in preference to another.

Irrespective of whether or not the Respondent is constrained to follow one course in preference to another under Article 11, it is material to have regard to the specific typographical symbol in issue for the purposes of determining whether the applicant has met the requirements of Article 10.2. In this respect, different typographical symbols may require different treatment. Thus, if the owners of a mark such as Hello! were to have applied for Hello.eu, the incorporation of the exclamation mark as part of the prior right might not be regarded as significant. A decision to eliminate the exclamation mark for the purposes of assessing what constitutes the complete name would be understandable in these circumstances.

Application of the principles of construction to the prior rights and domain names

The exclamation marks in ANTWERP&! and ANTWERPEN&! are susceptible to similar treatment to that indicated above, namely they could be eliminated from the domain names or replaced with a hyphen and the remaining elements of the domain names(subject to what is said below) still be regarded as the complete names applied for.

It is not considered that it would be possible to rewrite the domain names as ANTWERPENANDEXCLAMATIONMARK or ANTWERPANDEXCLAMATIONMARK; it cannot have been intended that a proper interpretation of the Regulations would mean that this was an option which could sensibly be followed.

Antwerp

However, the ampersand in ANTWERP&! has a greater significance for the reasons outlined above. It is considered that this name should not have been regarded as the complete name for the purposes of an application for either ANTWERP or ANTWERPEN. It is accepted that the Regulation is not intended to require the Respondent to exercise discretion so far as prior rights are concerned. But for the purposes of Article 10.2, the Respondent does have to establish whether the registration applied for constitutes the complete name for which the prior right exists. A proper reading of the regulation would not permit a registrant claiming a prior right in ANTWERP&! to register the same domain name as a registrant claiming a prior right in ANTWERP. The deletion of the ampersand in these circumstances for the purpose of determining the prior rights was not an appropriate course; deletion or rewriting the name should have been followed.

As indicated above, it is appropriate to have regard to the fact that an ampersand is usually a typographical shorthand for the word “and” when assessing the complete name for which rights exist under Article 10.2. If the exclamation mark is disregarded, the prior right arising from ANTWERP&! is, at best, ANTWERPAND and not ANTWERP. In fact, there are further difficulties in analysing the applicant’s mark in view of the placing of the conjunction; these are dealt with below.

In the case of the Antwerp name applied for the consequence is that the decision of the Respondent should be annulled for the reasons

indicated above.

Antwerpen

A potential oddity arises, however, arises in the case of the ANTWERPEN name applied for. Antwerpen is the commonly used spelling in Belgium for the city of Antwerp. The Respondent points out, however, that EN also means “and” in Dutch. One reading (in English) of the name ANTWERPEN therefore, is ANTWERPAND.

This is not the most obvious reading of the name, particularly in the English language, nor is it likely to be the most natural reading of the name in Dutch. However, if the applicant’s trade mark ANTWERP&! were be read as ANTWERPAND (that is, in Dutch, ANTWERPEN), the consequence would be that the Applicant’s mark matches the domain name Antwerpen and the mark could be regarded as the complete name for which the prior right exists.

The name applied for, however, is Antwerpen. This is a complete word. It is not divisible into groups of letters some of which might correspond to other words in particular languages. Moreover, there are 3 official languages in Belgium, being the country in which the national mark has been obtained, namely French, ,German and Dutch. “EN” does not mean “and” in all of them. It cannot be intended in these circumstances that the ampersand should be translated into “and” in each language in order to give the applicant not one but 3 separate prior rights.

Finally, the typographical symbol “&” and the word “and” are conjunctions, intended to be placed in between other words in order to link them together. The ampersand has no obvious or clear meaning when placed at the end of a word. The placing of an ampersand at the end of the complete word ANTWERP does not render it the complete name for ANTWERPEN simply because in one language the ampersand can be read as “EN”. The position may differ if the ampersand was used in a context between two words where its meaning was apparent.

Accordingly, it was inappropriate in these circumstances for the Respondent to have accepted ANTWERP&! as constituting a prior right for the domain name ANTWERPEN.

DECISION

Decision

For all the foregoing reasons, in accordance with Paragraphs B12(b) and (c) of the Rules, the Panel orders that the Complaint is upheld and the decision of the Respondent is annulled.

If the Respondent is satisfied that the Complainant is the next applicant in the queue for the domain names and the registration criteria are satisfied, the names should be transferred to the Complainant.

PANELISTS

Name	**Antony Gold**

DATE OF PANEL DECISION 2006-10-06

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

In applying the provisions of Article 11 of Community Regulation 874/2004, it is nonetheless necessary to ensure that the requirements of Article 10.2 of the Regulation are met and the domain name applied for corresponds to the complete name for which the prior right exists. In the present case, the prior right was ANTWERP&!. It is found that it was permissible for the Respondent to disregard the exclamation mark in the prior right. However, the ampersand should not have been disregarded. The exact treatment of an ampersand placed at the end of a word is problematic but it is apparent that the prior right was not a complete word for either of the domain names applied for. The consequence is that the Respondent’s decision is annulled.