Panel Decision for dispute CAC-ADREU-002438

Case number	CAC-ADREU-002438
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Domain names	ask.eu

Case administrator

Name	Josef Herian

Complainant

Organization / Name	IAC Search & Media Europe Ltd, Mr Julius Stobbs

Respondent

Organization / Name	First Internet Technology Limited, First Internet Technology Limited

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 legal proceedings that have been commenced or terminated in connection with or relating to the disputed domain name.

FACTUAL BACKGROUND

The Complainant in this ADR Proceeding is IAC Search & Media Europe Ltd, a limited company with a place of business in Dublin, Ireland.

The Respondent is First Internet Technology Limited, a limited company with a place of business in London, United Kingdom.

In terms of a Trade Mark Licence Agreement ("the Licence") between IAC Search and Media, Inc. (a United States corporation, formerly named Ask Jeeves, Inc.) and the Complainant dated 6 June 2006, the Complainant is the licensee of the following registered trade marks:-

United Kingdom registered trade marks:

no. 2212690 for the word mark ASK JEEVES in Class 42 dated 28 October 1999; and

no. 2220400 for the device and word mark ASK! in Classes 38 and 42 dated 21 January 2000.

European Community registered trade marks:

no. 001233956 for the word mark ASK JEEVES in Classes 9, 16 and 42 dated 24 May 2004;

no. 001473198 for the figurative mark Ask! in Classes 9, 16, 38 and 42 dated 10 September 2001; and

no. 003604287 for the figurative mark Ask in Classes 16, 38 and 42 dated 13 June 2005.

The Respondent is the registered proprietor of the Benelux trade mark no. 0779537 for the word mark ASK in Class 15 ("Plectrums") dated 25 November 2005 ('the Benelux Mark').

The disputed domain name was applied for by the Respondent on 7 December 2005 during the first phase of the registration period commonly called the Sunrise Period. Following validation, the disputed domain name was registered in the Respondent's name on 6 March 2006.

The Complaint was filed on 19 July 2006. The Czech Arbitration Court acknowledged receipt of the Complaint on 21 July 2006 and issued a Request for EURid Verification for the disputed domain name on the same date. On 31 July 2006 EURid replied in a non-standard communication confirming that the disputed domain name was registered with Ykoon B.V., that the current Registrant of the domain name was the Respondent, that the domain name would remain locked during the pending ADR Proceeding and that the specific language of the registration agreement as used by the Registrant for the disputed domain name was English. It also provided the full details from the WHOIS database for the registrant, technical, administrative and billing contacts.

On 2 August, 2006 the Czech Arbitration Court conducted a Complaint Check and issued a Notification of Deficiencies in Complaint form to the Complainant stating that the Complaint was deficient in that the original of the Complaint had not been submitted, information regarding how to contact the Respondent or any representative of the Respondent was lacking and a Mutual Jurisdiction had not been specified. The Complainant was requested to correct these deficiencies within seven days of receiving the Notification.

On 4 August, 2006 the Complainant filed an amended Complaint. On 8 August, 2006 the amended Complaint passed the Complaint Check, the ADR proceeding commenced and notification was issued to the Respondent that its Response was to be submitted within 30 working days of that date.

The Respondent did not comply with the deadline indicated in the Notification of Complaint and Commencement of ADR Proceeding for the submission of a formal Response and the Czech Arbitration Court notified the Respondent of its default on 18 October, 2006.

Following an invitation to serve on the Panel in this dispute, the Panel accepted the mandate and submitted the Declaration of Impartiality and Independence in due time. The Czech Arbitration Court duly notified the parties of the identity of the Panel appointed on 24 October, 2006, in accordance with paragraph B4(e) of the .eu Alternative Dispute Resolution Rules ('ADR Rules') and the date by which a decision on the matter was due, which was specified as 24 November, 2006.

In the absence of a challenge to the Panel's appointment by either Party according to Paragraph B5(c) of the ADR Rules, the Czech Arbitration Court transmitted the case file to the Panel on 27 October, 2006.

After the expiry of the prescribed deadline, the Respondent's representative submitted a non-standard communication on 30 October, 2006 stating that there appeared to have been a mishandling of communications and that the Respondent had not had actual notice of the proceeding until it received notice of appointment of the Panel. The communication went on to indicate that a substantive response would follow within 24 hours.

On 1 November, 2006, the Respondent's representative filed a further non-standard communication that took the form of a detailed Response to the Complaint.

On 13 November, 2006, having reviewed the Parties' documentation, the Panel issued a non-standard communication in terms of paragraph B8 of the ADR Rules requesting that the Complainant file a complete copy of the Licence (a partial copy of which had already been filed) and that the Respondent file (1) a certified translation of the Benelux Mark along with (2) a statement specifying the goods/services covered thereby and the Respondent's plans to market these within the applicable territory and (3) details of any or all other Benelux trade marks filed by or registered in the name of the Respondent. A time limit for filing was applied of five working days from the date of the non-standard communication (that is, until close of business on 17 November, 2006. The Parties were also advised that in terms of paragraph B10(b) of the ADR Rules, either party's failure to lodge the documents or statements requested in full within the time limit set forth in the non-standard communication would lead the Panel to draw such inferences as were appropriate with regard to that party's conduct.

On 14 November, 2006 the Complainant filed a non-standard communication containing the Licence document in compliance with the Panel's request.

On 20 November, 2006 the Respondent filed a non-standard communication stating that the Respondent's counsel had been unavailable and that steps were now being taken to file the documents requested by the Panel. Later that day, the Respondent filed a submission containing an English language extract from a commercial database relative to the Benelux Mark with an explanation that it was not possible to obtain a certified translation in the time available. The Respondent also filed an annex containing records of other marks and applications owned by the Respondent and provided an explanation of the Respondent's activities which is noted in the Respondent's contentions below.

On 23 November, 2006 the Complainant filed two non-standard communications. These consisted of two copies of a detailed reply to

the Respondent's non-standard communications of 1 November, 2006 (the Response) and 20 November, 2006 (the Respondent's answer to the Panel's request of 13 November, 2006). In this reply the Complainant sought to oppose the late Response being received and, in the event that its opposition was not successful, to make a series of detailed arguments replying thereto.

A. COMPLAINANT

The Complainant contends that the disputed domain name is identical or confusingly similar to registered and unregistered trade marks owned by the Complainant, that the Complainant is the licensee of registered trade mark rights in the names ASK JEEVES and ASK! and that it is also the proprietor of unregistered rights recognised and established by UK and Community law, by virtue of the substantial reputation enjoyed by the Complainant in the trade mark ASK. In support of these contentions, the Complainant produces a detailed witness statement from the Managing Director of the Complainant, Dominic Butera, dated 17 July, 2006.

In summary, the witness statement of Mr Butera states (1) that before 21 February, 2006 the Complainant was named Ask Jeeves Europe Limited and that it is a wholly owned subsidiary of a company that in turn is a wholly owned subsidiary of a US corporation named IAC Search & Media Inc. (formerly Ask Jeeves, Inc); (2) that the Complainant and related companies deliver world-class information retrieval products through a portfolio of websites and applications including Ask.com (launched April 1997), de.ask.com, es.ask.com, ask.jp and uk.ask.com and ask.co.uk (launched February 2000); (3) that while the Complainant and its parent companies' brand was first known as 'Ask Jeeves' it has always been offered through websites which contain only the element 'ask' - relative promotion material is produced in support of this point; (4) that sums spent on advertising in the UK total £25.7 million for the years 2000 - 2005 with most of this being spent on television advertising featuring the prominent use of ask.co.uk; (5) that Ask Jeeves was relaunched internationally as 'Ask' in February 2006; (6) that the Spanish and German versions of the 'Ask' site were launched in November 2005 with the Complainant spending roughly $1,000,000 on advertising for these; (7) that extensive Internet traffic is received to the Ask sites; (8) that the Ask brand enjoys substantial reputation as a leading Internet search engine and the UK version has been one of the top 25 websites in the UK since January 2002 (assertion supported by Neilsen NetRatings); (9) that the Complainant's US parent company, IAC Search & Media Inc., is the owner of the trade marks mentioned in the Factual Background above, along with various applications for registered trade marks not yet in force; and (10) that there has always been an informal licence arrangement between the Complainant and its parent company whereby the Complainant is entitled to use its parent's trade marks to obtain domain names or take action in its own name against infringers of trade marks or against inappropriate use/registration of domain names and that this is now formalised in the Licence, a copy of which is produced.

The Complainant asserts that the Respondent is a company set up for the purpose of warehousing domain names that are likely to be of interest to brand owners, solely for the purpose of selling those domain names to the brand owners at a premium price. It also contends that the Respondent has applied for and registered many domain names without legitimate interest and that the Respondent's ASK Benelux Mark was filed purely for the purpose of its application for the disputed domain name. The Complainant states that this does not constitute a valid right in the name and that the Respondent has no legitimate business or trade under the ASK trade mark.

The Complainant seeks to support these points by way of a witness statement from its trade mark attorney, Julius Stobbs dated 18 July 2006 in which Mr Stobbs alleges that Internet research conducted by him on 12 and 16 May 2006 demonstrates the nature of the Respondent's business as a domain name warehousing company and also that the Respondent appears to be connected with a company named Internet Reit, whose President is a Mr Marc Ostrofsky.

The Complainant goes on to explain that in March 2006 Mr Ostrofsky approached a representative of the Complainant's ultimate parent company, InterActive Corp., to enquire whether there would be interest in buying the disputed domain name from him or his company. In support of this point the Complainant produces a witness statement from Michael Filippone, formerly Director of Digital Assets IP for InterActive Corp., which provides that he met Mr Ostrofsky at an Internet conference in New York City during March 2006, whereupon Mr Ostrofsky mentioned that he had registered the disputed domain name, that a German entity had expressed interest in its acquisition and requested that given the Complainant's ultimate parent company's use of the ASK brand Mr Filippone might ask his employers if they were similarly interested. Mr Filippone goes on to allege that after this meeting Mr Ostrofsky forwarded to him a copy of the enquiry from the German entity by email.

The Complainant submits that this approach, and the mention of third party interests demonstrate that the Respondent's motivation was to obtain as high a price as possible for the disputed domain name from the Complainant. It alleges that the only reason for the approach was that the Respondent was fully aware of the Complainant's rights in the name ASK. The Complainant also states that the disputed domain name was directed to the ask.com and uk.ask.com websites for a time and that this constitutes further evidence of bad faith and illegitimate interest on the Respondent's part. It supports this with a further witness statement from Mr Stobbs indicating that the url www.ask.eu redirected his browser to the Complainant's website at www.uk.ask.com on 16 May 2006.

The Complainant does not know why the Respondent should point the disputed domain name to the Complainant's website, but states

that it assumes that the intention was to increase the Complainant's need for the disputed domain name and the relative acquisition price. It speculates that if consumers became accustomed to visiting the Complainant's site in this way there would be a risk of losing them or of damage to the Complainant's reputation.

In consequence, the Complainant (1) asserts that the domain name ask.eu amounts to a speculative and abusive registration, which should be subject to revocation, (2) requests immediate transfer to it of the disputed domain name and (3) requests an award of costs in its favour.

B. RESPONDENT

As stated in the Factual Background, the Respondent indicates that it received late notice of the Complaint. It requests consideration of its non-standard communication by way of a Response and argues that this does not prejudice the Complainant's position.

The Respondent asserts that as the Complainant appears to take issue with the assignment of the domain name to the Respondent by the registry it should have brought any complaint against the registry rather than under Article 21 of Commission Regulation (EC) Number 874/2004 of 28 April 2004, citing Axel Arnulf Pfennig v. Online Shopping Limited, (EU ADR decision no. 01652) in support of this proposition.

With regard to the substantive provisions of Article 21, the Respondent first submits that the Complainant has not discharged its burden of showing that the disputed domain name is identical or confusingly similar with a name in which the Complainant owns rights, nor has the Complainant shown its rights to pre-date those of the Respondent.

The Respondent asserts that the Complainant neither owns the rights claimed in the Complaint, nor could these be claimed as 'prior' rights relative to the Respondent. It notes that the Complainant did not possess the Licence until after the grant of the Respondent's Benelux Mark in November 2005 and the assignment of the disputed domain name to the Respondent in March 2006.

The Respondent submits that the Complainant's licensor's trade marks do not relate to 'ASK' apart from substantial graphical or other textual components and notes that among the marks cited by the Complainant are six pending and ungranted applications, some of which were filed after the grant of the Respondent's Benelux Mark and that among the remaining five marks cited by the Complainant, only two are word marks without substantial graphical components and these are in the phrase 'ASK JEEVES'. The Respondent submits that Article 21 does not extend to logo or graphical marks but only to a 'name' in which the Complainant holds rights.

The Respondent asserts that the Complainant's use of the word 'ASK' in 'ASK JEEVES' is descriptive of the intended use of the Complainant's search engine services and is not distinctive. It argues that there is no basis in which the use of 'ASK JEEVES' or the logo in several undated exhibits confers an exclusive right in the word 'ASK' standing alone.

Secondly, the Respondent argues that it possesses rights or interests in the disputed domain name by virtue of its Benelux Mark in the literal term 'ASK' which predates the Licence held by the Complainant. The Respondent submits that if the Complainant wishes to challenge the Benelux Mark the appropriate forum would be in the Benelux office where it was granted. If the Complainant wishes to challenge the registry's assignment of the disputed domain name the appropriate method is a challenge against the registry.

Thirdly, with regard to bad faith, the Respondent states that the Complainant's case rests on the conversation between Mr Ostrofsky and the Complainant's agent. The Respondent describes this as merely a casual conversation. It submits that the witness statement should be discounted as the statements alleged to be made to the Complainant's agent are of a second hand nature and bear no evidence that the disputed domain name was ever offered for sale; no price or definite terms are stated. The Respondent acknowledges that it has received unsolicited offers to purchase the disputed domain name but such receipt does not constitute an offer by the Respondent to sell the disputed domain name.

The Respondent argues that the Complainant does not state whether Mr Ostrofsky was authorised to speak for the Respondent and provides no reason to believe that this was so. The Respondent states that the Respondent's director is a Ms Keri Pearlson and denies that Mr Ostrofsky was authorised by her to negotiate the sale of the disputed domain name. The Respondent asserts that it is not uncommon for various parties to purport to have authority to negotiate sales of domain names when such parties may be attempting to establish themselves in a brokerage position.

In response to the Panel's request for a statement specifying the goods/services covered by the Benelux Mark and the Respondent's plans to market these within the applicable territory, the Respondent stated that it is an Internet services company which provides web hosting and internet advertising services. It asserted that it has prepared and is distributing promotion items, such as the plectrums recited in the Benelux Mark and provided a photograph of plectrums described elsewhere in this decision. The Respondent added that it

had obtained protection of its marks in connection with a variety of promotional materials relating to subject matter in which the Respondent provides internet advertising services and added that a plectrum is a rounded triangular instrument used for plucking strings on stringed musical instruments.

DISCUSSION AND FINDINGS

1. Preliminary

a. Competence

The only preliminary issue raised by the Parties is the Respondent's claim that in effect the current proceedings are not competent because the Complainant takes issue with the assignment of the disputed domain name to the Respondent by the registry and that in such a case the Complainant should have brought the present complaint against the registry. The Panel does not agree that the present Complaint should have been brought against the registry. The Complainant is not asserting that the decision made by the registry to register the disputed domain name in favour of the Respondent conflicts with the legislative framework. It is asserting that the registration is speculative or abusive within the meaning of Article 21 of Commission Regulation (EC) No 874/2004. The Panel will therefore examine the Complainant's assertions within the framework of Article 21. The eu ADR decision cited by the Respondent is not relevant. In that case, the complaint did not fail because it should have been brought against the registry but because the complainant was unable to prove that it had rights in a name within the meaning of Article 21.

b. admissibility of late Response/other non-standard communications

As noted above, the Respondent did not comply with the deadline for the submission of a formal Response within 30 working days from the delivery of the notification of commencement of the ADR Proceeding and default was duly notified by the Czech Arbitration Court on 18 October, 2006. The Respondent did not challenge the notification of Respondent's default in terms of Paragraph B3(g) of the ADR Rules.

On 1 November, 2006, the Respondent filed a non-standard communication containing a detailed Response to the Complaint. On 20 November, 2006 the Respondent filed a non-standard communication replying to the Panel's request of 13 November, 2006. Both of these communications were late in terms of the applicable deadline. On 23 November, 2006 the Complainant filed its own non-standard communication seeking to oppose the late receipt of the Respondent's Response.

The Panel must therefore consider the admissibility of these communications within the framework of the ADR Rules. Paragraph B8 of the ADR Rules states: "In addition to the Complaint and the Response, the Panel may request or admit, in its sole discretion, further statements or documents from either of the Parties." In the exercise of such discretion the Panel is required to ensure that the Parties are treated fairly and with equality (Paragraph B7(b) of the ADR Rules).

The Respondent contends that it did not receive actual notice of this proceeding until it received notice of appointment of the Panel. It is not entirely clear whether the Complaint was sent by mail or not, or whether or not the formalities in Paragraph A2(b) of the ADR Rules have been followed. However, the Respondent candidly acknowledges that the failure may lie at the hands of the Respondent's agents at the Respondent's registered office address. That said, the Respondent requests consideration of the late Response, on the basis that the delay appears to have arisen from a technical problem in receipt of notice, that no decision had been issued by the time of filing, and that the Complainant would not be prejudiced by consideration of the late Response.

Paragraph B10(a) of the ADR Rules states that if a Party does not comply with the time periods "the Panel shall proceed to a decision on the Complaint and may consider this failure to comply as grounds to accept the claims of the other Party". The key word here is 'may', indicating that discretion is conferred upon the Panel.

Taking all of the above into consideration, the Panel has decided to admit the Respondent's non-standard communication of 1 November, 2006 for the following reasons:-

(a) the Panel has no reason to disbelieve the Respondent's assertion that it did not receive actual notice until the Panel was appointed and that the Respondent acted promptly to lodge a detailed response as soon as it became aware of the Complaint;

(b) the Panel had not proceeded to a decision on the Complaint prior to receipt of the Respondent's non-standard communication of 1 November, 2006;

(c) the non-standard communication constitutes in all respects a properly prepared response to the Complaint which, had it been filed

timeously, would most likely have been judged to be administratively compliant by the Czech Arbitration Court; and

(d) the Complainant did not seek to oppose the late filing of a Response until some three weeks after filing by which time the Panel had proceeded to a decision on the Complaint and Response and, bearing in mind the requirements of fairness and equality, the Panel cannot identify any prejudice which might result to the Complainant by the treatment of the non-standard communication as though it were a timeously filed Response to the Complaint.

With regard to the Respondent's failure to file a reply to the Panel's request for further information dated 13 November, 2006 until after the deadline of 17 November, 2006, the Panel has decided to admit the Respondent's submissions filed on 20 November, 2006. The Respondent's explanation as to its lateness in complying with the Panel's request (namely that its counsel was not available and was not expecting to receive a request from the Panel) is acceptable bearing in mind that the late filing was in effect no more than one working day beyond the deadline. The Panel also accepts the translation of the Benelux Mark into English which accompanied the filing of 20 November, 2006 on the basis that this is an extract from a recognised commercial trade mark database and that it was not possible for the Respondent to obtain a certified translation within the time available.

The Panel has permitted lateness from the Respondent on two separate occasions. However, on each such occasion the Respondent has had the courtesy to inform the Panel via the non-standard communications procedure that it would be seeking to file information, and the Panel is prepared to accept that it has followed up with filings relatively promptly after becoming aware of the requirement to do so.

In contrast, the Complainant was in a position to object to the late filing of the Response of 1 November immediately or very soon thereafter. Rather than do so, its representatives waited over three weeks, until 23 November, 2006 to file an objection within a further detailed communication. By this point, as would no doubt have been in the reasonable contemplation of the Complainant's representatives, the Panel was in the course of proceeding to a decision and in fact the present decision was completed in draft and was undergoing final checks, this being the afternoon of the day before the last date by which it was due (absent exceptional circumstances).

Accordingly, the Panel has decided that it would be inappropriate to admit the Complainant's non-standard communication of 23 November, 2006 on the basis that it comes far too late in the ADR process without any good reason and there do not appear to be any exceptional circumstances that would justify delaying the issue of a decision.

2. Applicable provisions

This Complaint is brought under the auspices of Commission Regulation (EC) No 874/2004 of 28 April 2004 laying down public policy rules concerning the implementation and functions of the .eu Top Level Domain and the principles governing registration ("Regulation 874"). Article 22(1)(a) of Regulation 874 allows any party to initiate an ADR procedure where the registration is speculative or abusive within the meaning of Article 21.

Article 21(1) states that a registered domain name may be subject to revocation where that name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law, such as the rights mentioned in Article 10(1), and where it:

(a) has been registered by its holder without rights or legitimate interest in the name; or

(b) has been registered or is being used in bad faith.

Article 21(2) provides examples whereby the Respondent's legitimate interest may be demonstrated (echoed in Paragraph B11(e) of the ADR Rules), while Article 21(3) provides examples whereby bad faith may be demonstrated (similarly echoed in Paragraph B11(f) of the ADR Rules).

Article 10(1) states that:

"[...]

"'Prior rights' shall be understood to include, inter alia, registered national and community trademarks, geographical indications or designations of origin, and, in as far as they are protected under national law in the Member-State where they are held: unregistered trademarks, trade names, business identifiers, company names, family names, and distinctive titles of protected literary and artistic

works."

Article 22(11) states that in the case of a procedure against a domain name holder, the ADR panel shall decide that the domain name shall be revoked, if it finds that the registration is speculative or abusive as defined in Article 21. Furthermore, the domain name is to be transferred to the complainant if the complainant applies for it and satisfies the general eligibility criteria set out in Article 4(2)(b) of Regulation (EC) No 733/2002.

Paragraph B11(d)(1) of the ADR Rules provides as follows:-

"The Panel shall issue a decision granting the remedies requested under the Procedural Rules in the event that the Complainant proves

(1) in ADR Proceedings where the Respondent is the holder of a .eu domain name registration in respect of which the Complaint was initiated that

(i) The domain name is identical or confusingly similar to a name in respect of which a right is recognized or established by the national law of a Member State and/or Community law and; either

(ii) The domain name has been registered by the Respondent without rights or legitimate interest in the name; or

(iii) The domain name has been registered or is being used in bad faith."

It is clear from the applicable provisions that the burden of proving that a .eu domain name registration is speculative or abusive lies with the Complainant. Accordingly, the first question for the Panel is whether the Complainant has proved that the disputed domain name is identical or confusingly similar to a name in respect of which a right is recognised or established by national and/or Community law. The Complainant indicates that it is the proprietor of both registered and unregistered rights in the trade mark ASK.

3. Registered Rights

The Complainant cites a variety of registered trade marks and trade mark applications. It is well established that mere trade mark applications (depending upon the stage they may have reached) do not necessarily give rise to a right which can be invoked in a .eu ADR proceeding. See, for example, the helpful discussion on this point in Peter A. Rueckert v. Domain Handler, (EU ADR decision no. 01387) and the Panel accepts the Respondent's submission that pending or ungranted applications should not be relied upon by the Complainant. If the Complainant wished to rely on these it should have specified the various stages that each mark had reached together with an indication of how this conferred a right in terms of national or Community law.

With regard to the registered trade marks that are in force, the Complainant notes that it derives its rights to these marks via the Licence. The Respondent counters (1) that the Complainant, being a licensee, could not be the owner of the rights contended for and (2) that as the Complainant did not possess the rights under the Licence until after the grant of the Respondent's Benelux Mark, the Complainant's rights could not be claimed as 'prior' rights relative to the Respondent. Accordingly, before looking at the extent of the trade marks cited by the Complainant, the Panel must decide whether or not a licensee of registered rights may bring a Complaint under Regulation 874 and the ADR Rules in its own name and whether or not any such licence must pre-date rights which may be vested in the Respondent.

In the Panel's view it is perfectly competent for the Complainant to bring this Complaint on the basis of the Licence. Neither Regulation 874 nor the ADR Rules lay down requirements as to the extent, quality or priority of the rights concerned, provided that these are "recognised or established by national and/or Community law". Licences of registered trade marks are so recognised. Furthermore, the Panel believes that in Article 21(1) the reference to Article 10(1) with the qualification "such as" means that those rights listed in Article 10(1) are merely non-exclusive examples of qualifying rights. Article 10(1) does use the term "prior rights" but in the Panel's view this refers to qualification for the initial period of phased registration under .eu. It does not mean that the rights claimed by a complainant under Article 21(1) must have priority over any other similar rights (such as the Benelux Mark) as the Respondent seems to be contending. While the question of priority might be a relevant issue for consideration of the Respondent's rights and legitimate interests under Article 21(1)(a), or registration or use in bad faith under Article 21(1)(b) it is not relevant to the question of the Complainant's rights under Article 21.

Even if that interpretation of Article 21 were wrong, the general rule is that a licensee obtains such rights under a licence as are available to, and licensed by, the licensor. Accordingly the Respondent is incorrect to focus on the operative date of the Licence on a question of priority or seniority of rights. The key date is the date of registration of the trade marks covered by the Licence and these pre-date the

Respondent's Benelux Mark.

Finally, on this topic, it is worth noting that the Complainant's Licence expressly confers the right upon the Complainant to bring domain name dispute proceedings in its own name involving the licensed trade marks and in the Panel's view it is a competent party to this ADR proceeding.

It is then necessary to turn to the trade marks cited by the Complainant (other than those still under application) and to determine whether these constitute names that are identical or confusingly similar to the disputed domain name. The Respondent submits that the Complainant's licensor's trade marks do not relate to 'ASK' apart from substantial graphical or other textual components. This is true in the case of UK mark 2212690 and European Community mark 001233956, both for the words ASK JEEVES, where there is an additional word and in the case of European Community marks 001473198 and 003604287, both of which are figurative. However, UK mark 2220400 is a combined device and word mark for the term ASK! (even though the Complainant describes this merely as the "ASK! logo" in the Licence). While there is still a graphical component to the mark, the Panel is satisfied that as there is clearly a word element this can be said to constitute a right in the name ASK! for the purposes of Article 21(1).

Is the disputed domain name ask.eu identical or confusingly similar to the entire textual component of the mark 'ASK!'? For the purposes of comparison the top level domain ".eu" must be eliminated as wholly generic, leaving a comparison of "ask" with "ASK!". These are not identical, given the inclusion of the exclamation mark in the latter but are they confusingly similar? The Respondent argues that the word 'ASK' is descriptive of the intended use of the Complainant's search engine services but is not distinctive and that there is no basis for the Complainant contending that its logo confers an exclusive right in the word 'ASK' standing alone. However, it is clear from UK mark 2220400 that the Complainant has registered the combined device and word element 'ASK!' with regard to its particular goods and services and that this mark as a combination of word and graphical elements has undergone the appropriate test for distinctiveness during that process. A mark such as SEARCH ENGINE or ONLINE SEARCH might be descriptive of the Complainant's services but just because one may appear to 'ask' a question of a search engine does not render in the Panel's view the term ASK descriptive of the Complainant's services (unlike, for example, the situation in Rabbi Guy David Hall v. Hanoki Ltd (EU ADR decision no. 01134) where the term RABBI used in connection with the complainants rabbinical services was so descriptive). The mark is identical to the second level element of the disputed domain name with the exception of the exclamation mark. In these circumstances the Panel considers that there is confusing similarity.

4. Unregistered rights

On this topic the Complainant contends that it has unregistered rights in the term 'ASK' having offered its services through websites which contain only this element since April 1997. It is not clear whether the Complainant means that the domain names of such sites contain the 'ASK' element or the content of the websites concerned, although it cites a number of domain names or sub-domains where the primary element is the word 'ask' together occasionally with a geographic indication. The Complainant provides information indicating the extent of the use and promotion of the term in association with the Complainant's Internet searching services including the fact that Neilsen NetRatings has ranked the website operating under the ask.co.uk domain as one of the top 25 UK websites since January 2002 and that a considerable sum has been spent on UK advertising featuring the prominent use of this domain name.

The Respondent's position on unregistered rights is that the use of the Complainant's 'ASK' logo in several undated exhibits does not confer an exclusive right in the word 'ASK' alone. The Panel agrees with the Respondent that those undated exhibits do not in themselves demonstrate rights in a name. However, the Respondent does not directly address those aspects of the Complainant's evidence pointing to its substantial reputation in the term, as distinct from its ASK JEEVES mark, via its operation over a lengthy period of the life of the commercial Internet to date of the domain names ask.com, ask.co.uk and others in connection with very popular websites on which the ASK logo features prominently.

The Complainant has produced evidence on the basis of dated press releases asserting that 650,000 UK consumers were using the ask.com website in 1999, rising to 6.6 million users by 2003. Substantial sums have been expended on advertising campaigns focused on the domain names. As noted above, the Respondent asserts that the term ASK, when associated with the Complainant's search engine services, is non-distinctive. However, distinctiveness can be acquired through use and although this is often a difficult question in domain name disputes the Panel believes that (1) the very high level of consumer use of the Complainant's services; (2) the substantial period of time over which the Complainant has held a pre-eminent reputation directly associated with the name concerned, based upon independent ratings and (3) the extent of the Complainant's advertising and marketing under the term 'ASK' all point towards such distinctiveness. Trading goodwill and reputation is capable of protection in the United Kingdom under the law of passing off. Accordingly, on the question of unregistered rights alone, the Panel finds that the Complainant has rights recognised by national law in a name that is identical to the disputed domain name.

5. Rights or Legitimate Interest

The Panel then turns to the question of whether the disputed domain name has been registered by the Respondent without rights or legitimate interest in the name. The Panel notes that contrary to certain other domain name dispute resolution policies Article 21 and the ADR Rules express the question in terms of the holder having registered without rights *or* legitimate interests [Expert's emphasis].

The Complainant here alleges that the Respondent's business is to warehouse domain names solely for the purpose of selling those names to brand owners at a premium price. It also argues that the Respondent's Benelux Mark is not a legitimate interest and was filed purely for the purpose of its application for the disputed domain name. The Respondent relies exclusively upon the Benelux Mark and states that the appropriate forum for dispute is the relevant trade mark office and not the present Complaint, and/or that the Complainant should have disputed the registry's decision to register the disputed domain name in the name of the Respondent under Article 22(1)(b) of Regulation 874.

The Panel accepts that the existence of the Benelux Mark confers a prima facie right and that the ADR procedure is not the appropriate forum for determining the validity of that trade mark as such. Nevertheless, this cannot be the end of the question. If it were, any person wishing to engage in speculative or abusive registration would simply register one or a series of Benelux trade marks under the expedited application procedure with a view to defeating a complaint under Regulation 874. The general thrust of the legislation, in the Panel's view, runs contrary to this.

Article 21(2) of Regulation 874 and paragraph B11(e) of the ADR Rules provide non-exhaustive examples of how a Respondent might demonstrate a legitimate interest. These may be summarised as where (a) prior to notice of the dispute the Respondent has used (or made demonstrable preparations to use) the domain name in connection with the offering of goods and services; (b) the Respondent has been commonly known by the domain name; or (c) the Respondent is making a legitimate, non-commercial or fair use of the domain name without the intention to mislead consumers or to harm the reputation of a name in which there are rights under national or Community law.

It is clear that the Respondent's interest in the disputed domain name is commercial and the Respondent does not assert that it has been commonly known by the name before this dispute. Accordingly, the remaining question is whether the Respondent has made demonstrable preparations to use the disputed domain name in connection with the offering of goods and services. Here, regard can be had again to the Benelux Mark. The Respondent has filed a translation indicating that the goods and services applicable to the Benelux Mark are plectrums, used for plucking certain stringed instruments. The Respondent asserts that its business is the provision of web hosting and Internet advertising services; not, on the face of it, the supply of accessories for musical instruments. In response to the Panel's question to it by way of the non-standard communications procedure the Respondent stated that it plans to issue plectrums as items which will promote its business. It also provided a photograph of a series of plectrums placed on top of a guitar. The photograph seems to indicate that the plectrums have been printed with various phrases incorporating the motif 'ASK', such as 'ASK FIRST IT' and 'ASK Us First'.

It seems extremely curious to say the least that the Respondent is asserting that it has registered the Benelux Mark to protect what it alleges will be promotional giveaways (presumably to be issued in the Benelux territories only) rather than make any effort to protect its own goods and services directly. The Panel quite frankly does not believe the Respondent's submission as to the true intention behind the Benelux Mark. In the Panel's view, the more credible explanation of the Respondent's interest is offered by the Complainant who points out that the Benelux Mark was filed purely for the purpose of application for the disputed domain name. The terms of the Respondent's other Benelux trade marks, of which some 47 were listed by the Respondent following a request by the Panel, are apparently very similar; in general they consist of an English word for which the associated goods and services are generally plectrums; all of which were applied for on 22 November 2005. Doubtless the Respondent will have prepared photographs of plectrums bearing appropriate slogans for each of the relative marks but its having done so is not conclusive of its true intention in the Panel's view.

This strikes the Panel as akin to the situation described in British Olympic Association v. Van der Velden Beheer B.V. (EU ADR decision no. 01369). In that decision, the informal English translation indicates that the respondent registered more than 280 word marks, mainly generic terms, through the Benelux fast track application procedure. Most of such trade marks were filed for rope ladders and fishing nets in class 22. This did not show any connection with the respondent's commercial activities. The panel in that case considered that the respondent had no intention of using the disputed domain name for the goods and services covered by the Benelux marks and found as a consequence that the respondent did not have any legitimate interest in the relative domain name notwithstanding the existence of the corresponding Benelux trade mark.

In the present case, where the facts are strikingly similar, it is stretching credulity beyond breaking point for the Respondent to claim that its intention was genuinely to protect promotional items in the Benelux territories. It is far more likely in the Panel's mind that the Respondent registered all of its Benelux marks purely to support speculative applications for certain domain names under the phased registration period. Although the Respondent did not provide a translation of its additional 47 Benelux trade marks it appears to the Panel that these are for similarly unrelated goods and services to the stated business of the Respondent. An identical explanation on the part of the Respondent for these marks would lead to the suggestion that it intends to supply promotional honey (class 30), within the Benelux territories, under the mark CREDITCARDS (mark no. 0779515) and promotional tents (class 22) under the mark CHOCOLATES (mark no. 0779518). Consequently, the Panel does not accept that the Respondent has made demonstrable preparations to use the disputed domain name in connection with the offering of goods and services and finds that the disputed domain name was registered without legitimate interest.

6. Registered or used in bad faith

Finally, the Panel turns to the issue of bad faith. This is expressed in Article 21(1)(b) of Regulation 874 and paragraph B11(d)(iii) as a further alternative to a lack of rights or legitimate interest which may be proved by the Complainant. It is important to note that registration or use in bad faith may be proved. Article 21(3)(a) to (e) and the corresponding paragraph B11(f)(1) to (5) provide non-exhaustive examples which may be evidence of bad faith registration or use.

In the present case, the Complainant focuses squarely upon Article 21(3)(a) [paragraph B11(f)(1)], namely circumstances indicating that the domain name was registered or acquired primarily for the purpose of selling, renting, or otherwise transferring the domain name to the holder of a name, in respect of which a right is recognized or established by national and/or Community law. The Complainant asserts that the sole purpose of the Respondent's activities is to register and hold domain names that are likely to be of interest to brand owners, for the purpose of selling those domain names to the brand owners at a premium price. In support of this assertion, the Complainant states that the Respondent is connected with a company named Internet Reit, whose President is a Mr Marc Ostrofsky and that Mr Ostrofsky approached a representative of the Complainant's ultimate parent company to propose a sale of the disputed domain name.

The Respondent's reply to this allegation is that Mr Ostrofsky's conversation was casual and (in terms of being reported in the witness statement of one of the participants) is of a second hand nature. The Respondent goes on to state that Mr Ostrofsky was not authorised by the Respondent's director to negotiate any sale and that the Complainant provides no reason to believe that this was so. The Respondent furthermore obliquely suggests, without directly asserting it, that Mr Ostrofsky may have been attempting to establish himself in an unauthorised brokerage position.

What evidence does the Complainant provide about Mr Ostrofsky's connections to the Respondent? The Complainant produces a witness statement from its trade mark attorney, Mr Julius Stobbs, indicating that while conducting research into the Respondent he identified information demonstrating the apparent connection between Mr Ostrofsky, his company and the Respondent. The information is in fact an entry from a domain name discussion forum dated 2 March 2006 by a person identified only as 'sasquatch' which alleges that the Respondent is a 'phantom company' owned or operated by Mr Ostrofsky and others, described therein as part of the 'IREIT gang' and which lists the disputed domain name, among others, as having been acquired by these people. In addition, the Complainant's trade mark attorney produces entries bearing to be from the website of a company named Internet REIT Inc., which state that Mr Ostrofsky is the President of that company.

In fact, the material produced by Mr Stobbs amounts to little more than an unsubstantiated allegation by an anonymous person that there is a connection between the personnel at iReit and the Respondent. Nevertheless, it does appear from the witness statement of Michael Filippone (described in the Complainant's contentions above) that there was indeed an approach by Mr Ostrofsky during which sale of the disputed domain name was proposed. It is asserted that Mr Ostrofsky had access to an enquiry from a German entity as to the availability of the disputed domain name for sale, as he is said to have emailed this to Mr Filippone after the meeting. It also appears from Mr Stobbs' other witness statement and associated exhibits that the disputed domain name was forwarding traffic to the ask.com and uk.ask.com websites for a time. None of these matters are directly addressed by the Respondent other than by its suggestion that Mr Filippone's evidence is second hand or 'heresay' [sic], by its denial that Mr Ostrofsky had authority from the Respondent's director to make the approach, by its assertion that no definite terms of sale are stated by the Complainant and by the statement " it is not uncommon for various parties to purport to have authority to negotiate sales of domain names when such parties may be attempting to establish themselves in a brokerage position". While there is no particular guidance on this point provided by Regulation 874 or the ADR Rules, the Panel notes that a witness statement recounting a conversation between the witness and a third party would not normally be described as hearsay since it is direct evidence, drawn from the actual knowledge and experience of the witness concerned.

The Panel is left with the distinct impression that the Respondent is not being candid here by simply denying that the Respondent's director conferred any authority upon Mr Ostrofsky. The anonymous allegation at least puts the question of Mr Ostrofsky's identity and his affiliation to the Respondent in issue. Who is Mr Ostrofsky and does the Respondent have knowledge of him? Is he an entirely independent third party? Why or how did he gain access to an email from a party interested in acquiring the disputed domain name when one would reasonably expect such a party to make this approach to the Respondent as registrant of the name? Is the Respondent asserting that Mr Ostrofsky is or was an independent broker? The Respondent addresses none of these issues and its statement regarding brokerage seems particularly carefully worded; the Respondent merely suggests that such situations are "not uncommon" and seems to deliberately avoid addressing the root question of Mr Ostrofsky's involvement and intent. In the absence of anything but a denial on the question of authority the Panel infers that Mr Ostrofsky was indeed connected with the Respondent and as a bare minimum had ostensible authority to deal on its behalf. Were this not so the Panel would reasonably have expected the Respondent to deny all knowledge of Mr Ostrofsky or perhaps to state in terms that he was an independent broker and that his actions were consistent with such status. The fact that the Complainant does not mention the agreement of price or other definite terms is neither here nor there; the Complainant does not require to demonstrate this if the circumstances otherwise indicate that the primary purpose of registration was a sale or transfer of the disputed domain name and in the Panel's view they do so here.

In addition to the apparent lack of candour in connection with Mr Ostrofsky, the Respondent fails to address the question of why the disputed domain name was pointed to the website of the Complainant, an action that can only have been undertaken by the Respondent or on its behalf. The Complainant offers a possible explanation for this concerning inflation of the sale price. However, having been placed in issue the Panel believes it is for the Respondent to explain its conduct and in the absence of any such explanation the Panel considers that it is reasonable to infer that the Respondent was deliberately targeting the Complainant with a view to possible sale of the disputed domain name. In light of the above together with the approach by Mr Ostrofsky which the Respondent has not adequately explained, the Panel finds that the disputed domain name was both registered and used in bad faith.

It is also worth pointing out that in the Panel's view the circumstances surrounding the registration of the disputed domain name also point to registration in bad faith, given the discussion of the Respondent's Benelux trade marks above. The general thrust of Article 21 of Regulation 874 is that speculative registrations may be subject to revocation and it is difficult to conceive of a more speculative registration than one founded purely upon an expedited Benelux trade mark which the Panel has determined was registered exclusively to obtain the disputed domain name itself and not with any genuine intent to offer the requisite goods and services (particularly bearing in mind the other Benelux marks registered by the Respondent). In making this determination the Panel does not deal with the validity of the Benelux Mark itself, but rather the Respondent's motivation in registering it, which in the Panel's view goes directly to the question of bad faith.

The Panel has found that the Complainant has proved the required elements within Article 21(1). The Complainant seeks a transfer of the disputed domain name and appears to be eligible under Regulation (EC) No 733/2002. Accordingly, in terms of Article 22(11) of Regulation 874 the Panel determines that a transfer of the disputed domain name is the appropriate disposal of this proceeding. The Complainant seeks an award of costs against the Respondent. The Panel does not have the power to award such costs - the disposal must accord with Article 22(11); accordingly the Complainant's request for costs is rejected.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that the domain name ASK be transferred to the Complainant.

PANELISTS

Name	Andrew D S Lothian

DATE OF PANEL DECISION 2006-10-31

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant is the licensee of registered UK and Community trade marks for the word mark ASK JEEVES, the device and word mark ASK!, the figurative mark Ask! and the figurative mark Ask.

The disputed domain name was ask.eu. The Respondent held a Benelux trade mark registration for the word ASK in class 15 ("Plectrums").

There were many procedural issues in this case ranging from a late Response (which the Panel admitted) to a last minute reply to the

late Response issued by the Complainant (which the Panel did not admit).

The Panel found that the Complainant did have rights in a registered trade mark (device and word mark) ASK! which was confusingly similar to the disputed domain name and that the Complainant's trade mark licence was sufficient to establish rights that would be recognised under Article 21(1) of Regulation (EC) No 874/2004.

The Panel also found that the Complainant had rights in the unregistered mark ASK by virtue of its demonstrable and substantial trading record and goodwill which would be recognised, for example, by the national law of the United Kingdom.

The Panel rejected the arguments of the Respondent that a right established by a Complainant under Article 21(1) required to be a prior (or senior) right to the right of the Respondent and that where a Complainant's trade mark licence post-dated the Respondent's trade mark rights the operative date of the licence (rather than the dates of registration of the trade marks licensed thereby) determined seniority.

The Panel also rejected the argument of the Respondent that the term 'ASK' was not sufficiently distinctive of the Complainant's services (Search Engine services) to have conferred rights.

The Panel found that although the Respondent had established a right via its Benelux trade mark it had done so purely with a view to registering the disputed domain name and that it had no intention of trading in the goods and services under the mark. The Panel found that this did not confer a legitimate interest upon the Respondent in the disputed domain name. The Panel found support in the case of British Olympic Association v. Van der Velden Beheer B.V. (EU ADR decision no. 01369) where similar circumstances were established.

With regard to registration and use in bad faith, the Panel found that the circumstances indicated that the disputed domain name was registered primarily for the purpose of sale to the Complainant. There had been an approach to the Complainant to propose a possible sale by a party who appeared to be connected to the Respondent (and which the Respondent did not adequately explain other than to deny it had conferred authority on that party). The disputed domain name had also been redirected by or on behalf of the Respondent to one of the Complainant's websites and the Respondent failed to explain why it had done so. The Panel found that this evidenced the fact that the Respondent had targeted the Complainant with a view to sale of the disputed domain name.

The Panel found in general that the Respondent's explanations lacked candour and that its actions were consistent with having registered the disputed domain name speculatively. It accordingly awarded the transfer of the disputed domain name to the Complainant.