Panel Decision for dispute CAC-ADREU-002465

Case number	**CAC-ADREU-002465**
Time of filing	**2006-07-24 13:05:19**
Domain names	**mint.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**The Royal Bank of Scotland Group plc, Miss Jennifer Burke**

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 that the Panel is aware of.

FACTUAL BACKGROUND

The Royal Bank of Scotland plc (the 'Applicant') filed an application to register the disputed domain name <mint.eu> (the 'Domain Name') which was received by the Respondent on December 7, 2005, within the first part of the phased registration period. The Application was the first application for the Domain Name to be received by the Respondent. Documentary Evidence in support of the Application was received by the Validation Agent on January 12, 2006.

As supporting evidence of Applicant's existing prior right in the name MINT, the Applicant submitted a copy of the certificate of the UK trademark registration No. 2243024, showing that the registered owner of the trademark is The Royal Bank of Scotland Group plc.

Respondent determined that the Applicant did not appear to be the owner of the registered trademark, and therefore rejected the registration of the disputed Domain Name for the Applicant.

On July 24, 2006, the Complainant, The Royal Bank of Scotland Group plc., filed this Complaint with the Czech Arbitration Court ('CAC') against Respondent's Decision to reject the registration of the domain name <mint.eu> for the Applicant.

On August 8, 2006 CAC notified the Complainant that the Complaint has been cancelled because it was filed after the expiration of the Sunrise Appeal Period for the disputed domain name.

On the same day Complaint filed a non-standard communication claiming that the date of commencement of the Sunrise Appeal Period was not March 8, 2006 as stated in the Respondent's Non-Standard Communication, but July 25, 2006, and that accordingly, the Complaint was submitted on time.

On August 9, 2006 CAC called on the Respondent to address Complainant's assertion of August 8, 2006. On August 11, 2006 Respondent confirmed that after internal review of the application the Sunrise appeal deadline had been extended and that therefore the Complaint was filed on time.

After the verification of formal requirements of the .eu Alternative Dispute Resolution Rules (hereinafter "ADR-Rules") and the Supplemental ADR Rules of the Arbitration Court attached to the Economic Chamber of the Czech Republic and Agricultural Chamber of the Czech Republic (hereinafter "Supplemental ADR Rules"), CAC notified the Complainant on August 8, 2006 that the Complaint was formally deficient as it did not identify correctly the Registrar of the disputed domain name at the time the Complaint was filed.

Complainant submitted an administratively compliant Complaint on August 17, 2006.

In accordance with the ADR-Rules, paragraph B2, the Czech Arbitration Court formally notified the Respondent of the Complaint and the proceedings commenced on August 18, 2006. In accordance with Article B 3(a) of the ADR-Rules, the due date for Response was October 4, 2006.

Respondent submitted a Response to the Complaint on October 3, 2006.

On October 10, 2006 having received the Statement of Acceptance and Declaration of Impartiality, the CAC appointed Alan Lawrence Limbury, Enrique Batalla and Dr. Torsten Bettinger (Presiding Panelist) as the Panelists, in accordance with ADR-Rules, Paragraph B4(e).

A. COMPLAINANT

Complainant asserts that it is entitled to initiate an ADR proceeding against Respondent's decision to reject the Applicant's application to register the domain name <mint.eu> during the first part of the phased registration period.

Complaint contends that the decision taken by the Registry conflicts with Regulations (EC) No. 874/2004 and No. 733/2002.

In support of this assertion Complainant argues that:

- The Royals Bank of Scotland Group trades as the Royal Bank of Scotland plc as well as The Royal Bank of Scotland Group plc; both names are official names of the same business; the Royal Bank of Scotland is a holding company;

- under Section 19(4) of the Sunrise Rules, for trade names, company names, and business identifiers, it is not necessary to show the full business name, in that "SA", "GmbH", and "Ltd" can be left out of the name; the word "Group" is therefore not an essential part of the company name "The Royal Bank of Scotland" and can be omitted;

- the decision to refuse the registration on the basis of a minor or typographical error is disproportionate;

- The Royal Bank of Scotland Group plc and The Royal Bank of Scotland plc are so clearly linked that there is an implied licence in favour of The Royal Bank of Scotland plc to use the trade mark;

- Respondent has not followed transparent or quality procedures and operated in the general interest, it has not complied with the Rules and therefore its decision not to award the Domain Name to The Royal Bank of Scotland Group plc is in conflict with the Regulations for the reasons set out below;

- Article 10 of the European Convention on Human Rights provides for the right to freedom of expression, including the right to do so without interference from a public authority. Respondent is deemed a public authority, created under legislation passed by the European Parliament and the Council of the European Union; the decision taken by Respondent not to award the Domain Name to the Applicant is an interference with this right, in that it is prohibiting the Applicant from expressing its business interests in the .eu arena.

The Complainant submitted certificates of incorporation of the Applicant and the Complainant showing that Complainant and the Applicant are two separate legal entities which are both registered at the same address.

B. RESPONDENT

The Respondent contends that the Complaint must be dismissed for the following key reasons:

- The Royal Bank of Scotland plc ("Applicant") submitted documentary evidence consisting of a certificate of registration stating that the UK trademark MINT is registered in the name of the Complainant, The Royal Bank of Scotland Group plc;

- the Applicant and the Complainant are two different legal entities; the documentary evidence therefore did not demonstrate that the Applicant was the holder of a prior right in the name MINT;

- the Applicant did not submit documentary evidence substantiating that the Applicant was licensed by the owner of the trademark or that it was the same person as or the legal successor to the owner of the trademark;

- the burden of proof is on the applicant to submit all the Documentary Evidence required to assess the prior right. Where an applicant

fails to submit sufficient Documentary Evidence, its application must be rejected;

- pursuant to Section 21(3) of the Sunrise Rules the Validation Agent is not obliged, but is permitted in its sole discretion, to conduct its own investigations.

DISCUSSION AND FINDINGS

The Complaint was filed pursuant to Article 22(1)(b) of Regulation (EC) No. 874/2004, which provides that an ADR procedure may be initiated by any party where a decision taken by the Registry conflicts with this Regulation (EC) No. 874/2004 or Regulation (EC) No. 733/2002.

The relevant provisions of Regulation (EC) No. 874/2004 and the Sunrise-Rules which require particular consideration in this case are as follows:

Article 10(1) first subparagraph: Holders of prior rights recognised or established by national and/or Community law and public bodies shall be eligible to apply to register domain names during a period of phased registration before general registration of .eu domain starts.

Article 12(2) third subparagraph: During the first part of phased registration, only registered national and Community trademarks, geographical indications, and the names and acronyms referred to in Article 10(3), may be applied for as domain names by holders or licensees of prior rights and by the public bodies mentioned in Article 10(1).

Article 14 first paragraph: All claims for prior rights under Article 10(1) and (2) must be verifiable by documentary evidence which demonstrates the right under the law by virtue of which it exists.

Article 14 fourth paragraph: Every applicant shall submit documentary evidence that shows that he or she is the holder of the prior right claimed on the name in question. The documentary evidence shall be submitted to a validation agent indicated by the Registry. The applicant shall submit the evidence in such a way that it shall be received by the validation agent within forty days from the submission of the application for the domain name. If the documentary evidence has not been received by this deadline, the application for the domain name shall be rejected.

Article 4: "The Registry shall observe the rules, policies and procedures laid down in this Regulation and the contracts referred to in Article 3. The Registry shall observe transparent and non-discriminatory procedures.

Article 2: The Registry "shall organise, administer and manage the .eu TLD in the general interest and on the basis of principles of quality, efficiency, reliability and accessibility."

Section 20(3) of the Sunrise Rules: "If, for any reasons other than as are referred to in Section 20(1) and 20(2) hereof, the Documentary Evidence provided does not clearly indicate the name of the Applicant as being the holder of the Prior Right claimed, 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".

It is clear from the above-mentioned provisions of Regulation (EC) No. 874/2004 that the Applicant was eligible to apply to register the disputed domain during the first part of the phased registration only if it demonstrated that it was either the holder or the licensee of the UK trade mark registration used as basis for the application.

According to the registration certificate submitted by Applicant, the owner of the U.K. trademark No. 2243024, registered 26 January 2001 for the word MINT was the The Royal Bank of Scotland Group plc, 36 St. Andrew Square, Edinburgh, Scotland.

According to the documentary evidence the Applicant for the registration of the disputed domain name <mint.eu> was The Royal Bank of Scotland plc, 36 St. Andrew Square, Edinburgh, Scotland.

As evidenced by the certificates of incorporation submitted by the Complainant The Royal Bank of Scotland plc and The Royal Bank of Scotland Group plc are two separate legal entities. This assumption is not refuted by the fact that they are both registered at the same address and belong to the same group of companies (The Royal Bank of Scotland Group plc being the holding company).

It also follows from the fact that The Royal Bank of Scotland plc and The Royal Bank of Scotland Group plc are two different legal entities that the omission of the word “Group” in the application template was not a mere typographical error and that the word “Group”,

unlike the indication of the legal form of a company such as SA, plc, Ltd. GmbH etc. is an essential part of Complainant's business designation which cannot be omitted pursuant to Section 19(4) of the Sunrise Rules.

The Panel thus finds that the documentary evidence submitted by the Applicant did not show that the Applicant is the owner of the registered trade mark MINT.

According to the Regulation and the Sunrise Rules when the name of the applicant and the name of the owner of the trademark as they appear from the documentary evidence are different the applicant must submit official documents explaining this difference. Section 20 of the Sunrise Rules clearly explains what documents should be submitted to demonstrate how the applicant is entitled to rely upon the claimed prior right pursuant to article 14 of the Regulation.

When the names are different because the applicant is a licensee, Section 20 (1) of the Sunrise Rules will apply and when it is because the applicant is a transferee of the prior right, Section 20(2) of the Sunrise Rules will apply. For any other situation where the name of the applicant is not the same as the name of the owner of the prior right, Section 20(3) of the Sunrise Rules states that: "If, for any reasons other than as are referred to in Section 20(1) and 20(2) hereof, 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 iure 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".

In the present case, the Applicant failed to submit documentary evidence explaining this difference in the names of the Applicant and the owner of the trademark, but argues that there is an "implied license" in favour of the Applicant for Complainant's trademark.

However, as clearly stated in Section 20(1) of the Sunrise Rules, in order to establish a license agreement during the phased registration procedure, the Applicant needs to provide a license declaration form duly completed and signed by both the licensor of the relevant registered trade mark and the Applicant (as licensee).

The Panel thus finds that even if there was an "implied licence" in favour of the Applicant, such "implied licence" did not show that the Applicant is the licensee of the registered trade mark MINT in compliance with the formal requirements of Section 20(1) of the Sunrise Rules.

The key issue of this dispute, however, is whether such formalistic assessment of documentary evidence is line with the Regulation (EC) No. 874/2004 and in particular with Article 12 of the Regulation (EC) No. 874/2004 which explicitly contains an obligation that "the Registry ensures a proper and fair administration of the phased registration", or whether Respondent under circumstances of the case had an obligation to give the applicant the opportunity to make corrections, submit additional documents or itself to investigate the circumstances of the application.

The Panel notes that there are various Panelist decisions in which Complainants argued that Respondent has adopted too formalistic a validation approach, and has violated Complainant's right to a fair application procedure.

The vast majority of the Panels, however, upheld Respondent's strict formalistic examination approach holding that Respondent is not obliged to clarify uncertainties in the application documents by making investigations of its own, nor that it had an obligation to give the applicant the opportunity to make corrections or submit additional documents.

See, for example,

- CAC Case No. 00479 – metalock.eu (registration of the domain name metalock.eu to the benefit of Metalock Denmark A/S not in line with Regulation (EC) No. 874/2004, since the trademark submitted in the application proceedings was registered in the name of Metalock Sweden A/S, and the two enterprises were separate legal entities);
- CAC Case No. 00984 – isabella.eu (rejection by EURid in compliance with the Regulation, since the submitted trademark was registered for the company Jysk Camping Industri A/S and the Sunrise application was filed in the name of Isabell Jysk Camping A/S; EURid is not obliged to make investigations of its own);
- CAC Case No. 01186– erdgas.eu (registration of the trademark in the name of Ruhrgas Aktiengesellschaft; filing of the domain name by E.ON Ruhrgas AG);

According to the majority view it is only when there are obvious inaccuracies such as typographical errors which are the basis of the rejection of an application that Respondent's decision conflicts with the Regulation.

A minority of the panels, however, dissent from this strictly formalistic view, holding that the Validation Agent's role should go beyond that of a mere clerical function and that the extent of the discretion granted to the Validation Agent implied a higher standard of care and reasonableness and, in certain circumstances, an obligation to clarify uncertainties in the registration documents and to conduct its own investigations into the circumstances of the Application.

See, for example,

- CAC Case No. 00174– domaine.eu (Respondent has an obligation to investigate if there are uncertainties as to the identity of the applicant);
- CAC Case No. 00985 – gedore.eu: "To ensure a fair administration of the procedure in this case, the Panel found that it would not have been an unduly time consuming exercise for the Validation Agent to have exercised its discretion and to have conducted a simple and quick online trade mark search - to verify the validity and current ownership of the Complainant's registered right".

The Panel accepts that the purely formalistic approach adopted by the Respondent in the validation process is lamentable from the perspective of the rights holders and that a right to amend or correct a deficient Sunrise Application would have been preferable, particularly in the light of the extreme lack of transparency of the Sunrise rules and frequent misinformation by EURid's accredited Registrars in the Sunrise registration process.

However, it is not the Panel's role to alter Respondent's Sunrise verification policy but to examine whether the Respondent's decision to reject Complainant's Sunrise application conflicts with the Regulation (EC) No. 874/2004 and Regulation (EC) No. 733/2002 or procedural due process.

As already stated and in accordance with the majority view expressed in previous Panelist decisions, it is the Panel's view that Respondent's examination of the Sunrise application does not conflict with Regulations (EC) No. 733/2002 and (EC) No. 874/2004.

Section 21(2) of the Sunrise Rules states that "the Validation Agent examines whether the Applicant has a Prior Right to the name exclusively on the basis of a prima facie review of the first set of Documentary Evidence received and scanned by the Processing Agent (including the Documentary Evidence received electronically, where applicable) and in accordance with the provisions of these Sunrise Rules".

Section 21(3) of the Sunrise Rules states that "the Validation Agent is not obliged, but it is permitted in its sole discretion, to conduct its own investigations into the circumstances of the Application, the Prior Right claimed and the Documentary Evidence produced".

It is therefore evident that no obligation to conduct its own investigation for the Validation agent or to give the Applicant the opportunity to correct or amend its Application may be derived from Section 21(3) of the Sunrise Rules.

The question, of course, arises whether under the circumstances of this case, and in the light of Respondents obligation under Art. 12 (1) of Regulation (EC) 874/2004 to "ensure a proper and fair administration of the phased registration" and the principle of procedural fairness Respondent's discretion to conduct investigations has turned into an obligation to investigate into the Applicant's prior rights in the name MINT by, for example, notifying the Applicant of the deficiencies of the Application and giving it the opportunity to correct or amend the Application.

The Panel holds the view that even though it was evident from the documents before the Respondent that the Applicant and the owner of the trademark registration belonged to the same group of companies, and that therefore the Applicant would very likely have been able to correct the deficiencies of the Application by submitting a licence agreement between Complainant and the Applicant, Respondent did not have such obligation.

The Panel observes that the Sunrise Registration rules set out a strictly formalised procedure in order to validate a large amount of Sunrise application in a short period of time. In order to benefit from this opportunity to demonstrate their prior rights, applicants had to comply with the strict formal requirements laid down in Regulation (EC) No. 874/2004. The Regulations and the Sunrise Rules therefore made clear that if an applicant fails to fulfil its obligations to establish its prior rights in compliance with the formal requirements of the Sunrise Rules, then, even where such failure is due to an oversight or genuine mistake, the application must be rejected by the Validation Agent.

This consideration is particularly important in the present case since other legitimate applicants with equally valid prior rights are standing in the queue. When the first applicant in line fails fully to comply with the substantial and formal requirements, its application must be rejected and the next applicant in line must then have the opportunity to try to demonstrate its prior rights. As was correctly

stated by Respondent, during the phased registration period, the first applicant in line does not have an unconditional right to the domain name, but only an opportunity to try to demonstrate that it is the holder of a prior right. As explained in CAC Case No. 1614 - telnet.eu, when there is a queue of applicants a priori entitled to the domain name, it would appear improper if the Validation Agent carried out investigations to help an applicant when that applicant did not fulfil its duties (…). as every applicant in the queue has a legitimate expectation to obtain the domain name and therefore, the observance of the application requirements must be strict.

Respondent's decision to insist that Applicant complied with the relevant formal requirements of the Sunrise Rules was therefore neither in conflict with the Regulations (EC) 874 and Regulation 733 nor was

Furthermore, the Panel does not see how Complainant's freedom of expression could be unduly interfered with by the Respondent's decision to reject its application for a domain name because the applicant did not sufficiently demonstrate that it was the holder or the licensee of a valid prior right. Even if the Complainant's Complaint is denied, the Applicant will still be able freely to express its opinions online and even under the .eu Top-Level-Domain.

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	**Alan Lawrence Limbury**

DATE OF PANEL DECISION 2006-11-01

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Royal Bank of Scotland plc (the 'Applicant') filed an application to register the disputed domain name <mint.eu> (the 'Domain Name') which was received by the Respondent on December 7, 2005, within the first part of the phased registration period. The Application was the first application for the Domain Name to be received by the Respondent. Documentary Evidence in support of the Application was received by the Validation Agent on January 12, 2006.

As supporting evidence of Applicant's existing prior right in the name MINT, the Applicant submitted a copy of the certificate of the UK trademark registration No. 2243024, showing that the registered owner of the trademark is The Royal Bank of Scotland Group plc.

Respondent determined that the Applicant did not appear to be the owner of the registered trademark, and therefore rejected the registration of the disputed Domain Name for the Applicant.

The Complainant, The Royal Bank of Scotland Group plc., filed this Complaint with the Czech Arbitration Court ('CAC') against Respondent's decision to reject the registration of the domain name <mint.eu> for the Applicant.

According to the documentary evidence the Applicant for the registration of the disputed domain name <mint.eu> was The Royal Bank of Scotland plc, 36 St. Andrew Square, Edinburgh, Scotland.

The Panel found that The Royal Bank of Scotland plc and The Royal Bank of Scotland Group plc are two different legal entities and that therefore documentary evidence submitted by the Applicant did not show that the Applicant is the owner of the registered trade mark MINT.

The Panel held that even though it was evident from the documents before the Respondent that the Applicant and the owner of the trademark registration belonged to the same group of companies, and that therefore the Applicant would very likely have been able to correct the deficiencies of the Application by submitting a licence agreement between Complainant and the Applicant, Respondent did not have an obligation to conduct its own investigation or to give the Applicant the opportunity to correct or amend its Application.

In support of this finding the Panel argued that the Sunrise Registration rules set out a strictly formalised procedure in order to validate a large amount of Sunrise applications in a short period of time and that in order to benefit from the opportunity to demonstrate their prior rights, applicants had to comply with the strict formal requirements laid down in Regulation (EC) No. 874/2004.

The Panel stated that this consideration was particularly important in the present case since other legitimate applicants with equally valid prior rights were standing in the queue. When the first applicant in line fails fully to comply with the substantial and formal

requirements, its application must be rejected and the next applicant in line must then have the opportunity to try to demonstrate its prior rights.