Panel Decision for dispute CAC-ADREU-002727

Case number	**CAC-ADREU-002727**
Time of filing	**2006-08-21 11:52:00**
Domain names	**staedtler.eu**

Case administrator

Name	**Kateřina Fáberová**

Complainant

Organization / Name	**J.S. Staedtler GmbH & Co. KG, Thomas Schatz**

Respondent

Organization / Name	**David Fishman**

INSERT INFORMATION ABOUT OTHER LEGAL PROCEEDINGS THE PANEL IS AWARE OF WHICH ARE PENDING OR DECIDED AND WHICH RELATE TO THE DISPUTED DOMAIN NAME

N.A.

FACTUAL BACKGROUND

On 13 June 2006 Mr. David Fishman, with French domicile (the Registrant of Staedtler.eu), filed an application for the registration of the domain name Staedtler.eu. On 21 August 2006 the Complainant, J.S. Staedtler GmbH & Co. KG, filed a complaint by e-mail and ten days later in hardcopy.
The Complaint, to obtain “cancellation of the acceptance by Eurid of the application of the domain name LIVE.eu was brought pursuant to the Alternative Dispute Resolution Rules and the Supplemental ADR Rules. The Complaint was filed by e-mail with the Arbitration Center of the Czech Arbitration Court on 8 March 2006 at 18:00:33.
STAEDTLER is the Complainant's famous trademark (this circumstance is not challenged by the Respondent, who, in turn, has declared he is carrying out a project related to name research and genealogy).
J.S. Staedtler GmbH & Co. KG owns several registrations on the trademark STAEDTLER of which the German one has been effective since 1912.

A. COMPLAINANT

The Complainant contends that the domain name was applied for in bad faith and for speculative reasons and that Mr. David Fishman has no right to, or legitimate interest in, the domain name concerned, according to Art 21 (1) (a) and Art 21 (2) of Regulation (EC) No. 874/2004.
The Respondent is using the domain name to divert Internet users to a website in German language which contains various links to websites of third parties offering products similar to the Complainant’s products.
A printout from the website available under http://www.staedtler.eu is attached as Annex 3.
The website at "staedtler.eu" is part of the Domain Name Parking Programme of SEDO GmbH, Im Mediapark 6, 50670 Köln, a German Internet Service Provider which offers domain name holders the opportunity to earn pay-per-click-revenues for redirecting Internet users to third parties’ websites and thus capitalizing on the Complainant’s mark. A description of the Respondent’s business method by parking websites is provided as Annex 4.
For instance, the link www.bueromarkt-ag.de redirects users to a website merely containing advertising of products of competitors of the Complainant. A printout from the website available under http://www.bueromarkt-ag.de is attached as Annex 5.
Therefore, for the Complainant, the Respondent has no legitimate interest and is using the domain name to divert consumers; he is also making a commercial use of it by taking advantage of the reputation of the trade mark. In the Complainant's words “The intention of use is commercial as it solely is aimed at gaining profit out of the pay-per-click-revenues”.
Furthermore, bad faith can be inferred by the fact that the “Respondent uses the domain name solely for the purpose of earning click-through revenues from the diverted traffic by redirecting Internet users and potential customers of the Complainant to the parking-

website containing the advertisement links to the Complainant's competitors, although the Internet users and potential customers expect to be directed to the Complainant's website since the domain name is identical to the Complainant's trademark".

B. RESPONDENT

The Respondent, Mr. David Fishman, claims he has a legitimate interest in the domain name STAEDLTER.eu. He is developing a genealogy website based on the generic domain name roots.eu. The domain name at issue was acquired as part of this project, as was the case with ESPOSITO.eu or LEFEBVRE.eu. This project was notified to the Complainant a few days after registration.
The Respondent did not have adequate time to develop the planned website, but he points out that there are very few .eu domain names already active. He also adds that he will need at least two years to develop this project.
Furthermore, parking his .eu domain name on SEDO is legitimate. Mr Fishman claims that the domain name was parked on SEDO by using the optimized keywords "family name research". Subsequently, roots.eu was acquired in order to develop that project.
The Respondent claims that the SEDO page supporting these circumstances was destroyed after the complaint lodged by the present Complainant to Google and that primary evidence in favour of Mr.Fishman has thus been destroyed.
In the Respondent's view, Sedo hosted the domain name for two reasons, as clearly explained in the Response: "First, an automatic temporary content page pertaining to the Respondent's intended use of this name was created. (The fact that such automated content is paid advertising, should not distract from this claim). Second, it enabled us to track detailed statistics on any Web surfer's behavior on the domain-site."
Although Sedo does pay for clicks generated on a parked domain for .eu domains (which currently attract very little traffic), this revenue is irrelevant. Adding domains to Sedo is a very simple and easy procedure; initial content related to the domain is auto-generated and the domains can be tracked all at once with a simple login. Sedo provides, in sum, a very powerful and free service that any domain developer should be familiar with.
When staedtler.eu was acquired, the Respondent was looking for a distinguished sounding Germanic name for his genealogy website. We believe that the use of the name Staedtler as part of roots.eu does not harm Staedtler GmbH in any way.
The Respondent maintains that he has never used the name 'Staedtler' in a way that could harm Staedtler GmbH. He is interested in genealogy, which is totally unrelated to the Complainant's business. The Respondent is certainly not interested in inconsequential per-click revenue.

DISCUSSION AND FINDINGS

The domain name at issue is certainly identical to the prior right claimed and proved by the Complainant. Hence, this case has to be decided by applying art. 21 of Reg. 874/2004 of 28 April 2004 "Speculative and abusive registrations".
1. A registered domain name shall be subject to revocation, using an appropriate extra-judicial or judicial procedure, 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.

This provision states a principle: when a domain name is identical or confusingly similar to a name or a trademark or other "prior rights ex art. 10 of Reg.874/2004 , it is possible to seek revocation of that domain name if one of these following conditions is applicable: (a) absence of a right or a legitimate interest in the name; (b) existence of bad faith when the domain name was registered or when it has been used.

It seems, therefore, that the European Legislator had wanted to increase the legal protection of prior-right owners against possible cybersquatters. In fact, the requirement of art.21. 1 (a) and (b) are not cumulative but alternative. It will be sufficient for the Complainant to prove one or the other .
Art. 21 also gives directions (under paragraph 2) to the domain name holder on how to show its legitimate interest, and to possible Complainants (under paragraph 3) on how to prove bad faith.
It thus seems that if a domain name is identical or confusingly similar to a prior right, its holder should prove legitimate interest in the way paragraph 2 indicates and, only if he does so, it will be up to the Complainant to prove bad faith by showing one of more of the instances listed under paragraph 3.
It seems to the Panel that Legitimate interest is a justification that the domain name holder has to prove in order to keep a domain name conflicting with a prior right, while bad faith is a personal condition that has to be proven by the Complainant if the Respondent has successfully proven its legitimate interest.

As stated, the Respondent/Domain name holder can show his legitimate interest by proving one or more of the following items. In fact, Art.21 states that a legitimate interest within the meaning of point (a) of paragraph 1 may be demonstrated where:

(a) prior to any notice of an alternative dispute resolution (ADR) procedure, the holder of a domain name has used the domain name or a name corresponding to the domain name in connection with the offering of goods or services or has made demonstrable preparation to do so;

(b) the holder of a domain name, being an undertaking, organisation or natural person, has been commonly known by the domain name, even in the absence of a right recognised or established by national and/or Community law;

(c) the holder of a domain name is making a legitimate and non-commercial or fair use of the domain name, without intent to mislead consumers or harm the reputation of a name on which a right is recognised or established by national and/or Community law.

The first two instances are certainly not applicable in this case. The third instance concerns the legitimate and non-commercial or fair use of the domain name. Non-commercial or Fair use of the domain name has to be assessed in the light of the evidence filed by the Parties.
Several documents filed by the parties are only in German and will thus not be considered, since English is the language of the proceeding. However, the Panel believes that, overall, the evidence in the file is enough to prove whether or not the estoppel consisting of the legitimate interest can be applied.
The Complainant has proven that the domain name www.STAEDTLER.eu was visited on 11 August 2006 and that under the title “For Staedtler try these sponsored results” few links were visible and clickable. Above all, the first link in the list belongs to a competitor of the Complainant.
Furthermore, www.staedtler.eu was parked in the SEDO parking website where it is commonly known that it is possible for the domain name holder to gain profit out of the pay-per-click revenues.
The Respondent rebuts that he has no intention of making a profit out of that domain name and that the above-mentioned use of STAEDTLER.eu was a mistake. Mr. Fishman strongly points out that his interest is genealogy. He wants to use STAEDTLER as a typical German name to attract users to his project. He has long experience on this argument but no evidence was filed on this point. Indeed, the list of other domain names owned by him in order to start this genealogy project is not very good proof of his expertise on the matter. In fact, he has listed few domain names comprising various surnames: Gonzales.eu for Spain, Nicols.eu for the UK and ROMERO.eu as an example of an Italian name, which, on the contrary, is not so, and for an expert on these issues it seems to me quite a gross mistake. No other evidence is conclusive of the assertion and allegations of the Respondent. No evidence on the ownership of Roots.eu was provided and all the justifications put forward by the Respondent are only good intentions or well conceived intentions with no established proof. For example, when he states “the domain holders are in a position to support a non-profit genealogy website” is not clear what he means with “in the position to”. It is just a mere statement without any particular evidence of it. On the other hand, Mr. Fishman recognises that SEDO does pay for clicks generated on a parked domain for .eu domains but declares that this revenue is irrelevant. Maybe it is so at the moment because the .eu system is still at the beginning of its life but potentially can become a very lucrative business in relation to the efforts requested (i.e. null). Mr Fishman knows very well how to check on how many visitors his domain name has attracted as well as for how long and how many times, as he stated in his Response. Therefore, it seems to the Panel that his statement for the gratuity of the service provided is somehow already contradicted by the way in which he has started to organise his project. In other words, he has failed to prove he has a legitimate interest and, in particular, to prove he is carrying on non-commercial activity with the domain name or that he has made fair use of it.

For the sake of the argument the Panel believes that there are also indications of bad faith.
Under art. 21.3, bad faith, within the meaning of point (b) of paragraph 1, may be demonstrated where:
(a) circumstances indicate 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 recognised or established by national and/or Community law or to a public body; or
(b) the domain name has been registered in order to prevent the holder of such a name in respect of which a right is recognised or established by national and/or Community law, or a public body, from reflecting this name in a corresponding domain name, provided that:
(i) a pattern of such conduct by the registrant can be demonstrated; or
(ii) the domain name has not been used in a relevant way for at least two years from the date of registration; or
(iii) in circumstances where, at the time the ADR procedure was initiated, the holder of a domain name in respect of which a right is recognised or established by national and/or Community law or the holder of a domain name of a public body has declared his/its intention to use the domain name in a relevant way but fails to do so within six months of the day on which the ADR procedure was initiated;
(c) the domain name was registered primarily for the purpose of disrupting the professional activities of a competitor; or
(d) the domain name was intentionally used to attract Internet users, for commercial gain, to the holder of a domain name website or other on-line location, by creating a likelihood of confusion with a name on which a right is recognised or established by national and/or Community law or a name of a public body, such likelihood arising as to the source, sponsorship, affiliation or endorsement of the

website or location or of a product or service on the website or location of the holder of a domain name; or
(e) the domain name registered is a personal name for which no demonstrable link exists between the domain name holder and the domain name registered.
I believe that instances (c) and (d), especially in relation to “sponsorship”, have been reasonably proven by the Complainant, but item (e) can also be applicable. Staedtler is, in fact, a surname and there is no link existing between Mr. Fishman and this German surname, which happens to be a famous long-standing trademark for stationary. Genealogy could be a good excuse to devise, but it does not amount to a demonstrable link existing between the domain name holder and the domain name registered.

DECISION

For all the foregoing reasons, in accordance with Paragraphs B12 (b) and (c) of the Rules, the Panel orders that

the domain name STAEDTLER be transferred to the Complainant

PANELISTS

Name	Massimo Cimoli

DATE OF PANEL DECISION 2006-11-02

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The case concerns the domain name STADTLER.eu registered by a natural person - Mr. Fishman. He declares he is an expert in genealogy and that he has registered this domain as an example of a German surname. He is, in fact, the owner of other domain names relating to different geographic areas. ROMERO.eu for Italy, Gonzales.eu for Spain, Nicols.eu for the UK and so on. The Complainant is the German company owner of the famous trademark STAEDTLER for stationary. They filed a complaint stating that the Respondent is in violation of art. 21 because he has no legitimate interest and is in bad faith.
The Complainant filed evidence showing that at the beginning the domain name for the Respondent was used to sponsor other websites (amongst which there was also a website of a direct competitor of the Complainant).
The Respondent replied that it was a mistake and that he is not interested in the revenues that SEDO (the owner of a web parking site in which STAEDTLER.eu is parked) is ready to pay. Mr Fishman also stated that these revenues are negligible.
It seems to the Panel that when a domain name is identical or similar to a third party’s prior right, the owner has to show its legitimate interest. If he does so, the Complaint could prove the domain name holder’s bad faith, but if he cannot manage to show any legitimate interest, the revocation action is successful without the need to prove bad faith. In fact, article 21 does not require the existence of lack of legitimate interest plus bad faith, but it states that either one is sufficient.
The defensive argument presented by the Respondent is not supported by any convincing evidence and ends up being a sort of well-conceived but undocumented justification.
Also, as regards bad faith (which is not necessary to prove for the decision, in view of the lack of legitimate interest of Mr. Fishman), it may be underlined that the Respondent has shown no existing demonstrable link between the domain name holder Mr.Fishman and the domain name STAEDTLER.eu.
For the above-mentioned reasons, the domain name is transferred to the Complainant.