Panel Decision for dispute CAC-ADREU-002990

Case number	CAC-ADREU-002990
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Domain names	live.eu

Case administrator

Name	Tereza Bartošková

Complainant

Organization / Name	Multam BV

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

ADR 265 and ADR 2257, both concerning LIVE.EU

FACTUAL BACKGROUND

This is the third ADR case concerning the domain name LIVE.EU, the earlier cases being ADR 265 and ADR 2257.

Complainant Multam is the holder of a trademark (LI&VE). Based on this trademark, it applied during the Sunrise 1 period for the following domain name: live.eu. This application was the first in line and the Complainant was granted the domain name.

Eighteen applications for the domain name LIVE.EU were received during the sunrise period. Microsoft was second in line. Complainant was also third in line.

Microsoft launched an ADR proceding (ADR 265) against Eurid's decision to grant the domain name to the Complainant. This ADR raised the issue of the transliteration of the Complainant's trademark into a domain name under article 11 of EC Regulation 874/2004, and it ended against the Complainant. The decision of Eurid to grant the domain name to the Complainant in the instant case (Multam) was annulled.

Pursuant to the "second-come, second served" principle embodied in Art. 14(9) of EC Regulation 874/2004, and Section 27 (1) of the Sunrise Rules, EURid proceeded to determine whether Microsoft's application was in order.

It is not disputed that as of July 4, 2006 it appeared from the EURid WHOIS database that EURid had rejected Microsoft's application. In the far right column under the heading "internal review, there is a star "*".

On or about July 7, 2006 Complainant started the second ADR concerning LIVE.EU, namely ADR 2257, allegedly against EURid's "decision" to reject the Microsoft application. On or about August 1, 2006, i.e. approximately three weeks after Complainant had filed the complaint in ADR 2257, it appeared from the EURid database that the Microsoft's application had been accepted.
In the far right column under the heading "internal review, there are a two dashes "--".

The Panel in ADR 2257 found in effect that purpose of the Complaint in ADR 2257 was an impermissible appeal of ADR 265. As regards the issue of whether EURid had erred in accepting or rejecting Microsoft's application, the Panel found that this was illusory, only in consequence of the decision in ADR 265, in that Complainant found any decision was bad and unfounded.

The Czech Arbitration Court (CAC) originally found that the Complaint in the instant case should be rejected under Paragraph B1 (f)/B1

(g) of the .eu Dispute Resolution Rules (the ADR Rules). The CAC's notification to the Complainant of 11 September 2006 states that "In accordance with Paragraph B1 (f)/B1 (g) of the .eu Dispute Resolution Rules (the ADR Rules), we would like to notify you that your Complaint has been terminated due to the filing of another Complaint with respect to the same disputed domain name mentioned above with earlier Time of Filing". However, CAC later found that EURid's decision to accept Microsoft's application had not been the subject of an ADR proceeding, and allowed the Complaint.

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By way of additional background it can be seen from case ADR 1804 that Complainant Multam has registered numerous other dot-EU domain names in the sunrise period based on Benelux trademarks, including CAMS, EMAIL, MOVIES, and NEWS

A. COMPLAINANT

Complainant requests the Panel to 1) annul the decision of EURid to accept the application of Microsoft. Further, the Complainant simultaneously requests the Panel to 2) annul the decision of EURid to reject the application of Complainant. Thereafter, Complainant requests the Panel to 3) transfer the domain name LIVE.EU to the Complainant.

In support of the first request, Complainant asserts firstly that EURid had no legal ground on which to base a decision, let alone a change of decision, concerning Microsoft's application. As regards the second and third requests, Complainant (re)asserts that EURid misapplied Art. 11 of EC Regulation 874/2004 in rejecting Complainant's first-in-line application.

B. RESPONDENT

Complainant was the first applicant in line for the domain name LIVE and Microsoft was second in line. Since the Panel in ADR 265 decided that EURid's decision to accept the Complainant's application conflicted with the Regulation, EURid had to register the domain name in the name of Microsoft BV if it found that Microsoft was the holder of a prior right, pursuant to article 14 of the Regulation.

The documentary evidence sent by Microsoft was timely received and consisted of CTM Registration No. 2876936, a figurative mark composed of the stylised letters LIVE along with a standard license form granting license from the trademark owner (Microsoft Corporation) to the LIVE.EU domain name application (Microsoft B.V.)

The validation agent found that the LIVE logo clearly reads LIVE, since the general impression of the word was apparent, without any reasonable possibility of misreading the characters or the order in which those characters appear, consistent with Section 19 (2) of the Sunrise Rules. Accordingly, EURid properly registered the domain in the name of Microsoft.

As regards Complainant's second request (annulment), Respondent claims it is not possible to reopen the debate.

As regards Complainant's third request (transfer) this is not possible until Respondent has assessed whether all registration criteria have been met by the next applicant in the queue via the regular validation process.

DISCUSSION AND FINDINGS

As regards Complainant's first request (annulment of EURid's decision to accept Microsoft's application), Complainant argues in effect that EURid could not make any decision whatsoever concerning the domain name. Thus Complainant has not disputed that EURid, assuming it had the power to delegate the domain name, made a proper delegation based on the sunrise documentary evidence.

Section 27(2) of the Sunrise Rules states

"If the ADR Proceeding concerns a decision by the Registry to register a Domain Name and the Panel or Panellist appointed by the Provider concludes that that decision conflicts with the Regulations, then, upon communication of the decision by the Provider, the Registry will decide whether or not to register the Domain Name in the name of the next Applicant in the queue for the Domain Name concerned, in accordance with the procedure set out in these Sunrise Rules."

Pursuant to this rule, EURid had the discretion of whether or not to register the domain name in the name of the second in line. The function of the queues and strict interpretation of the sunrise requirements was to ensure an efficient registration. In particular due to the rights of the other participants in the queue, it would not be proper for EURid to withhold processing the application in the name of the next applicant. Such discretion would be proper if there were indications that the circumstances surrounding the next application appeared to be similar to the rejected application. Here there is nothing in this case to indicate that EURid ought to properly have waited. Thus this Panel finds that EURid did not err in processing the next application in the queue.

As regards the fact that EURid changed its mind, initially rejecting the Microsoft application and thereafter accepting it, this Panel notes that the initial rejection appears never to have left the "Internal review" phase. The status of the EURid database had a star "*" in the "Internal review" column in Complainant's Annex 2. This database status alone cannot reasonably be relied on as a decision affecting the rights of third parties. The fact that EURid has an internal review policy and actually reviews its decisions prior to implementing them is a natural part of the administration of a TLD. Indeed, given the uniqueness of the dot-eu sunrise and the practices developing in the ADR proceedings, it would be surprising if EURid did not have and utilize an internal review policy. In any event, Complainant does not challenge that the rejection was wrong, just that there was no authority to make any decision, so this issue is moot.

Though not disputed in this case, whether EURid erred in registrering the domain name LIVE.EU in the name of Microsoft B.V. on the basis of the proffered documentary evidence will be now checked by the Panel. There are two issues: 1) whether the trademark right was sufficient and 2) whether the license was sufficient.

Section 19 (2) of the Sunrise Rules states that "A prior right claimed to a name included in figurative or composite signs (signs including words, devices, pictures, logos, etc.) will only be accepted (i) if the sign exclusively contains a name or (ii) if the word element is predominant, and can be clearly separated or distinguished from the device element, provided that (a) all alphanumeric characters (including hyphens, if any) included in the sign are contained in the Domain Name applied for, in the same order as that in which they appear in the sign, and (b) the general impression of the word is apparent, without any reasonable possibility of misreading the characters of which the sign consists or the order in which those characters appear".

To this Panel, the general impression of Community Trademark Registration No. 2876936 is indeed the word LIVE.

As regards the license, this is a standard form provided by EURid, apparently executed by the trademark owner (Microsoft Corporation), granting license to register the LIVE.EU domain name to the licensee (Microsoft B.V.), which also executed the document. Nothing would indicate that EURid ought to have rejected this documentation

This Panel finds that EURid did not err in accepting Microsoft's application as second in queue. Accordingly, Complainant's first request is denied.

As regards Complainant's second and third requests, the principle of res judicata applies. Like the Panel in ADR 2257, this Panel refuses to reopen ADR 265. A similar reasoning was followed by the Panel in ADR 2291 (BARCELONA, FRANKFURT), where the Complainant sought to challenge the decision of the Panels in ADR 394 (FRANKFURT) and 398 (BARCELONA). The Panel in ADR 2291 decided that: " To entertain the Complaint in these circumstances would be to create an appeal procedure without any mandate under Regulation 874/2004, or under the Sunrise Rules and would be a quite improper extension of this Panel’s jurisdiction.".

In closing, the Panel has the following remarks.

On the surface there is some sympathy here for the Complainant, whose domain name registration was taken away in a dispute in which it was not a party (ADR 265 between Microsoft and EURid). It is also worth remarking that the status of Microsoft's application changed from "rejected" to "accepted" after the Complainant had lodged its complaint in ADR 2257 (though this does not affect this decision, as stated above). That being said, it appears from case 1804 that the Complainant in the instant case has also registered numerous other domain names based on Benelux registrations filed in the fall of 2005. These include CAMS, EMAIL, MOVIES, and NEWS:

CAMS.EU was registered on the basis of a trademark application filed 20 October 2005 for the trademark CA & MS for goods in classes 3, 14 and 25.

EMAIL.EU was registered on the basis of a trademark application filed 28 November 2005 for the trademark E & MAIL for goods in classes 3, 14 and 20.

MOVIES.EU was registered on the basis of a trademark application filed 28 November 2005 for the trademark MO & VIES for goods in classes 13, 14 and 20.

NEWS.EU was registered on the basis of a trademark application filed 28 November 2005 for the trademark NE & WS for goods in classes 13, 14 and 20.

All four of these domain names are in use for websites in which the generic term generated by the contraction of the trademark is used generically. For instance MOVIES.EU is used for a website called the "European Movie Database" with information on European movies,

and not for a website featuring goods in classes 13, 14 and 20 sold under the MO & VIES trademark. Likewise, NEWS.EU is used for a website called "The European News Archive", with links to European news articles, and not for a website featuring goods in classes 13, 14 and 20 sold under the NE & WS trademark. Masquerading as a trademark owner, Complainant has systematically and blatantly abused the sunrise registration process. Any due process issues in this case are resolved in favor of the doctrine of unclean hands.

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	Peter Gustav Olson

DATE OF PANEL DECISION 2006-12-11

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

This is the third ADR case concerning the domain name LIVE.EU, the earlier cases being ADR 265 and ADR 2257.

Complainant requested the Panel to 1) annul the decision of EURid to accept the second-in-line application, and simultaneously to 2) annul the decision of EURid to reject its first-in-line application and to 3) transfer the domain name LIVE.EU to the Complainant.

As regards the first request, the Panel held that pursuant to Section 27(2) of the Sunrise Rules, EURid had the discretion of whether or not to register the domain name in the name of the second in line, and that EURid did not abuse such discretion.

As regards Complainant's second and third requests, the principle of res judicata applies.

As regards the due process concerns raised by the Complainant, the Panel held that Complainant's systematic and blatant abuse of the sunrise procedure rendered considering such concerns unnecessary.