Panel Decision for dispute CAC-ADREU-003146

Case number	**CAC-ADREU-003146**
Time of filing	**2006-10-17 13:29:52**
Domain names	**esthetys.eu**

Case administrator

Name	**Tomáš Paulík**

Complainant

Organization / Name	**Esthetys Ltd, Mr Fabien Guy Sage**

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

The Panel is not aware of other legal proceedings which are pending or decided and which relate to the disputed domain name.

FACTUAL BACKGROUND

The Complainant was incorporated in England and Wales on 18 May 1999 as Windle Limited. The Complainant changed its name to Esthetys Limited on 22 February 2005.

On 2 May 2005 the Complainant applied for a Community Trade Mark for the word ESTHETYS.

On 7 February 2006 the Complainant applied for registration of the domain name esthetys.eu during the second phase of the sunrise registration period. The prior right field in the domain name application stated: “Companyname / Tradename / Business Identifiers”.

The Respondent received supporting documentary evidence on 9 March 2006, before the 19 March 2006 deadline. The evidence consisted of:

- a printout from the Companies House online database for the Complainant;
- a certificate of incorporation on change of name stating that the Complainant had changed its name from Windle Limited to Esthetys Limited on 22 February 2005;
- a form "363s – Annual Return" for the Complainant; and
- an application for the registration of the Community Trade Mark ESTHETYS.

On 31 March 2006 the Complainant’s Community Trade Mark was registered: No. E4370169 for the word ESTHETYS in classes 9, 16, 35 and 41 (“the CTM”).

On 25 April 2006, the Respondent rejected the application on the grounds that the applicant did not clearly establish that it was the holder of the claimed prior right. Specifically, the Respondent considered that the applicant had failed to comply with the evidence requirements of section 12(3) of the Sunrise Rules.

A. COMPLAINANT

The Complainant’s name has been Esthetys Limited since 22 February 2005.

The Complainant owns the CTM.

Those are the reasons why the Complainant filed its application for esthetys.eu during the Sunrise II period.

The Respondent's decision is prejudicial for the Complainant because it compromises the Complainant's mark strategy. The Complainant has invested significant sums since 2003 to create a strong and perennial mark.

The domain name is key to the Complainant's identity. The Complainant has owned esthetys.com since 2003 and also owns the following: esthetys.org, esthetys.net, esthetys.biz, esthetys.info, esthetys.it, esthetys.co.uk, esthetys.ch, esthetys.fr, esthetys.be, esthetys.es, esthetys.tv and esthetys.mobi.

The domain name esthetys.eu is essential to ensure the coherence of the Complainant's strategy. Its loss will result in financial damage and will harm the Complainant's image.

B. RESPONDENT

The documentary evidence received by the validation agent within the deadline did not include any affidavit or relevant final judgment. Therefore, the validation agent found that the Complainant did not sufficiently establish that the prior right relied upon in its application, because no rights in passing off had been demonstrated.

Consequently, the Respondent correctly rejected the application.

In ADR 2957 (GAYROMEO) the Panel agreed with the Respondent's decision to reject the Complainant's application because the required documentary evidence was not provided.

The application for the registration of the Community trademark ESTHETYS could not establish the claimed prior right and could not be considered as a prior right at all.

Documents submitted for the first time during the present ADR proceedings may not be taken into consideration. Assessment of whether a decision taken by the Respondent conflicts with the Regulation is the only task for the Panel in these proceedings, which may not in any case serve as a "second chance" or an additional round providing applicants an option to remedy their imperfect original application that was rejected during the Sunrise Period. Thus, only the documentary evidence which the Respondent was able to examine at the time of validation of the application should be considered by the Panel to assess the validity of the Respondent's decision.

The Complainant now submits new information regarding its alleged prior right on the name ESTHETYS, in particular the CTM registered on 31 March 2006. This information was not enclosed with the documentary evidence and was not received during the 40 days period provided in article 14 of the Regulation. The Respondent could not therefore use this information in reaching its decision.

In any case, the CTM produced by the Complainant was registered after the date of its application for the domain name and could therefore not establish a prior right at the time of the application and domain names cannot be accepted as prior rights pursuant to article 10(1) of the Regulation.

The Respondent correctly decided to reject the Complainant's application, pursuant to the Regulation, the Respondent's decision may not be annulled and the domain name ESTHETYS may not be granted to the Complainant.

DISCUSSION AND FINDINGS

In accordance with Article 22(11) of Regulation (EC) 874/2004 ("the Regulation"), the Panel must decide whether the decision of the Respondent conflicts with the Regulation or with Regulation (EC) 733/2002.

Article 10(1) of the Regulation provides that holders of applicable prior rights were eligible to apply to register domain names during a period of phased registration before general registration of .eu started. Article 10(1) says 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".

The procedure to be followed for validation and registration of applications received during the phased registration period is described in Article 14 of the Regulation. In particular, Article 14(1) states: "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(4) states: "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…" and provides that this evidence must be submitted within 40 days of the application for the domain name. Article 14(7) states: "The relevant validation agent shall examine whether the applicant that is first in line to be assessed for a domain name and that has submitted the documentary evidence before the deadline has prior rights on the name…" Article 14(10) states: "The Registry shall register the domain name, on the first come first served basis, if it finds that the applicant has demonstrated a prior right in accordance with the procedure set out in the second, third and fourth paragraphs."

Section 16 of the Sunrise Rules deals with company names, trade names and business identifiers. The documentary evidence required in such cases is subject to Annex 1 to the Sunrise Rules which, so far as the United Kingdom is concerned, says that company names, trade names and business identifiers are protected "only to the extent that rights in passing off exist" and that the documentary evidence required is that "referred to in Section 12(3) of the Sunrise Rules". Annex 1 also states that: "Where documentary evidence is submitted as referred to in Section 12(3)(i) of the Sunrise Rules, the documentary evidence must enable the Validation Agent to validate the existence of a protected prior right (under the law of Passing Off) on the basis of a prima facie review of the documentation as set out in Section 21(2) of the Sunrise Rules".

Section 12(3) of the Sunrise Rules states

"If, under the law of the relevant member state, the existence of the Prior Right claimed is subject to certain conditions relating to the name being famous, well known, publicly or generally known, have a certain reputation, goodwill or use, or the like, the Applicant must furthermore submit

(i) an affidavit signed by a competent authority, legal practitioner, or professional representative, accompanied by documentation supporting the affidavit or

(ii) a relevant final judgment by a court or an arbitration decision of an official alternative dispute resolution entity competent in at least one of the member states
stating that the name for which a Prior Right is claimed meets the conditions provided for in the law (including relevant court decisions, scholarly works and such conditions as may be mentioned in Annex 1 (if any)) of the relevant member state in relation to the type of Prior Right concerned."

The Regulation places the burden of demonstrating prior rights on the domain name applicant. It was for the Complainant to submit appropriate documentary evidence demonstrating ownership of the prior right within the 40 day time limit.

Here, the prior rights relied upon by the Complainant were "Companyname / Tradename / Business Identifiers". Article 10 of the Regulation says that such rights only apply insofar as they are protected under national law in the member states where they are held. In the United Kingdom such rights are protected only to the extent that they create rights in passing off. This at least involves the relevant name having a certain reputation or goodwill. A registered company name, of itself, creates no rights in passing off.

The legal position in the United Kingdom is recognised by the Sunrise Rules which provide that applicants claiming company name / trade name / business identifier rights under the law of the United Kingdom can do so only to the extent that rights in passing off exist. The Sunrise Rules also require such applicants to provide either an affidavit with supporting documents from a competent authority, legal practitioner, or professional representative or else a final court judgment or arbitration decision stating that the name meets all of the relevant conditions for existence of a prior right.

The documentary evidence which the Complainant supplied to the Respondent in this case consisted only of a pending trade mark application and of documents containing formal corporate information about the Complainant such as its name, change of name, date of incorporation, registered office, details of directors and shareholders and so on. The Complainant did not, within the 40 day time limit, provide any affidavit, final court judgment or arbitration decision with the information required in the Sunrise Rules nor indeed any evidence of reputation or goodwill relevant to establishing rights in passing off.

The Respondent was therefore correct to reject the Complainant's application in relation to company name / trade name / business identifier rights.

The Complainant relies also on its CTM. However, this had not been registered at the point when the Complainant applied for the domain name. A trade mark application does not constitute a prior right. Article 10(1) refers to registered trade marks, but not trade mark applications, as constituting prior rights.

The Complainant has in this proceeding produced a printout of its CTM which was registered on 31 March 2006. However, the Panel's role is to determine whether the Respondent's decision on the Complainant's application conflicted with the relevant regulations and not to consider the application afresh based on documents submitted for the first time in an ADR proceeding filed after that 40 day limit.

The same point applies to the information about ownership of other domain names, also supplied by the Complainant for the first time in this proceeding. In any event, those domain names would not, of themselves, have sufficed to constitute prior rights.

The Complainant complains that the Respondent's decision to reject its application damages the Complainant in terms of financial loss, harm to its image and prejudice to its trade mark strategy. These are not matters which this Panel can take into account. The Panel's only role is to determine whether the Respondent's decision conflicted with the Regulation (EC) 874/2004 or Regulation (EC) 733/2002. For the reasons stated above, the Panel considers that the disputed decision did not conflict with the regulations.

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	**James Mitchell**

DATE OF PANEL DECISION 2007-01-12

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant, a company incorporated in England & Wales, applied for the domain name in phase two of the sunrise period based on "Companyname / Tradename / Business Identifiers". Its documentary evidence supplied during the 40 day time limit consisted of a trade mark application and formal corporate information concerning the Complainant.

The Respondent rejected the domain name application on the grounds that the Complainant did not clearly establish that it was the holder of the claimed prior right.

The Panel's view was that, as recognised in Sunrise Rules, the rights claimed by the Complainant were protected in the United Kingdom only to the extent that rights in passing off existed.

The Complainant did not, within the 40 day time limit, provide any affidavit, final court judgment or arbitration decision with the information required in the Sunrise Rules nor indeed any evidence of reputation or goodwill relevant to establishing rights in passing off. Accordingly, the Panel considered that the Respondent was correct to reject the Complainant's application in relation to company name / trade name / business identifier rights.

The Complainant's trade mark application did not constitute a prior right.

The printout of the CTM provided the first time in this proceeding did not assist the Complainant as the Panel's role was to determine whether the Respondent's decision on the Complainant's application conflicted with the relevant regulations and not to consider the application afresh based on documents submitted for the first time in an ADR proceeding filed after that 40 day limit.

The same point applied to information about ownership of other domain names, also supplied by the Complainant for the first time in this proceeding. In any event, those domain names would not, of themselves, have sufficed to constitute prior rights.

The Panel concluded that the Respondent's decision did not conflict with Regulation (EC) 874/2004 or Regulation (EC) 733/2002 and therefore denied the complaint.