Panel Decision for dispute CAC-ADREU-004492

Case number	**CAC-ADREU-004492**
Time of filing	**2007-05-24 09:35:37**
Domain names	**sponda.eu**

Case administrator

Name	**Josef Herian**

Complainant

Organization / Name	**Sponda Oyj, Juha Eronen**

Respondent

Organization / Name	**UK Domain Developers, LTD., Web Master**

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

There are no other legal proceedings of which the Panel is aware that are pending or decided and that relate to the disputed domain name.

FACTUAL BACKGROUND

1. The Complainant is Sponda Oyj and its given address is in Helsinki, Finland.

2. The Respondent is UK Domain Developers, LTD and its given address is in Liverpool, United Kingdom.

3. The domain name at issue is <sponda.eu> (the “Domain Name”) registered by the Respondent on 7 April 2006, the first day of the land rush period.

4. By 13 February 2007 the website operating from the Domain Name bore all the classic signs of being generated by a domain name parking service. It displayed clusters of links under broad headings from cars and jewellery to dating and finance.

5. In April 2007 the Complainant sent a cease and desist letter to the Respondent. The Respondent did not respond to the letter. However, 6 days after the letter was sent the website changed to one which listed pond and water feature related links under the words “S Pond A”.

6. ADR proceedings were formally commenced on 1 June 2007 and the Complainant is seeking a transfer of the Domain Name to the Complainant.

7. The Respondent filed no Response.

8. On 4 September 2007, I, Matthew Harris, was appointed as the panellist in this matter having filed the necessary Statement of Acceptance and Declaration of Impartiality and Independence.

9. At some point on 3 or 4 October 2007, the Domain Name website changed from the pond themed site described above to one displaying links to computer hard drive sites.

A. COMPLAINANT

1. The Complainant asserts that save for the “.eu” top level-domain (which is not a factor for the purposes of determining similarity), the disputed domain name <sponda.eu> is identical to the Complainant’s:

(i) registered company name “Sponda Oyj”; and

(ii) established trademark “SPONDA”.

Each are claimed to be rights recognised or established by Finland’s national law which fall within the scope of Article 21(1) of Commission Regulation (EC) No 874/2004 (the “Regulation”).

2. So far as rights in the registered company name are concerned, the Complainant asserts that it is a Finnish real estate investment company founded by the Bank of Finland in 1991. The company name Sponda Oy (“Oy” means “Ltd”) was registered to the Complainant on 23 October 1991. On 19 December 1997 the company was changed to a Plc. The company name was simultaneously amended from Sponda Oy to Sponda Oyj and Sponda Plc was registered as a parallel company name of the Complainant. The Complainant exhibits an extract from Finland’s Trade Register in support of this.

3. The Complainant asserts that under Finnish law: “company names enjoy protection against others using identical or similar names in business. Section 2 of the Company Names Act states that exclusive right to a company name is gained by registering or establishing the company name. Section 3 of the Company Names Act states that exclusive right to a registered company name means that no other trader may in this country use a company name confusingly similar, unless it is proven that the owner of the registered company name will not suffer damage from such use. Thus, the right to the registered company name Sponda Oyj is recognized by national law as required in Article 21 of the Regulation 874/2004.” The Complainant also exhibits a printout from the web site of Finland’s National Board of Patents and Registration titled “exclusive right to a company name” which contains the following statement: “An exclusive right to a company name is obtained either by having the name entered into the relevant register or by establishing it. An exclusive right to a company name confers its owner the right to prohibit others in this country from using a company name that could be confused with his company name, unless it can be proved that the said owner will not suffer damage from such use. An exclusive right based on establishment means that another business operator may not use a confusable company name in the area where the company name has been established (Section 3 of the Company Names Act).”

4. With respect to the second of its assertions (rights in the established trade mark SPONDA) the Complainant asserts that Sponda Oyj is currently the largest real estate company listed on the Helsinki Stock Exchange and that it has used the word SPONDA as a trademark in its business for more than 10 years. The Complainant exhibits examples of such use. Further, the Complainant exhibits evidence that it has registered and used the Finnish domain name <sponda.fi> and the corresponding web site www.sponda.fi since 8 October 1997. The Complainant therefore contends that the word SPONDA has become “established” and enjoys trade mark protection in Finland because, according to Finnish law, trade mark protection can be obtained either by registration or by "establishment". The Complainant goes on to explain that it has applied to register the "established" trade mark SPONDA at the Finnish Patent Office and has also made an international Madrid registration based on the Finnish application, designating EU, Russia, Norway and Iceland. The Complainant exhibits a printout from the Finnish Patent Office’s trademark database showing the pending Finnish application and from WIPO’s Madrid database showing the international Madrid registration.

5. The Complainant asserts that the Respondent registered the Domain Name without rights or legitimate interests in that Domain Name. The Complainant has not authorised the Respondent to use the “Sponda” name. Save for the Domain Name, which is not “used in any actual business activity”, the Respondent has no connection with the word ‘sponda’. In particular: the Respondent’s company name does not include the word ‘sponda’; the Respondent has no registered trade marks for that word in the countries searched; a Google search returns “no-hits” for “sponda + UK Domain Developers”; and, ‘sponda’ has no meaning in English. The word ‘sponda’ is solely the Complainant’s registered company name and its mark and “is not one a trader could legitimately choose unless seeking to create an impression of an association with the Complainant”. The Complainant contends that if the Respondent did have any rights in ‘sponda’ then it would have most likely made a sunrise application for the Domain Name.

6. Finally the Complainant asserts that the Domain Name was registered or used in bad faith on the grounds set out at paragraph B.11(f) (1), (3) and (4) of the ADR Rules. On 13 February 2007 the Domain Name’s website simply displayed clusters of click-through links (ranging from cars and jewellery to dating and finance) and the web-page was headed “under construction”. The Complainant asserts that the change to a pond-related website that took place in April 2007 was artificial and had been prompted by the Complainant’s cease and desist letter. The Complainant asserts that any use of the Domain Name would infringe the Complainant’s registered company name and trade mark rights. Further, by using the Domain Name website for advertising the Respondent intentionally attempts to attract internet users to that website for commercial gain. In support the Complainant cites WIPO Case No. D2004-0483, Shelton J. Lee (a.k.a. Spike Lee) v. Mercedita Kyamko.

B. RESPONDENT

The Respondent has not responded to the Complaint.

DISCUSSION AND FINDINGS

WHAT NEEDS TO BE SHOWN

1. In order to succeed in its Complaint, the Complainant must show that the requirements of Article 21(1) of the Regulation have been complied with. That paragraph reads as follows:

"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"

2. Article 21(2) and (3) contain a list of examples of circumstances which may demonstrate the existence of a legitimate interest within the meaning of Article 21(1)(a) and of bad faith within the meaning of Article 21(1)(b) (but these are non-exhaustive examples).

3. Paragraph B.10(a) of the ADR rules provides that in the event a Party does not comply with any of the time periods established by these ADR Rules or the Panel, 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.

4. However, this does not mean that the Complainant is entitled to a default judgment in a case, such as this, where no Response is filed. As paragraph B.11(d) of the ADR Rules makes clear, it is for the Complainant to prove that the requirements of Article 21(1) of the Regulation are satisfied.

5. With this in mind I deal with each of the three constituent parts of Article 21(1) of the Regulation in turn:

IDENTICAL OR CONFUSINGLY SIMILAR DOMAIN NAME

6. The Complainant claims that (i) it has relevant rights in its registered company name "Sponda Oyj / Plc" and its "established" but unregistered trade mark SPONDA and (ii) that such name/ mark is identical to the Domain Name. I accept that the Domain Name is identical to the 'Sponda' and 'Sponda Oyj/ Plc' names (since in this case it is appropriate to ignore the <.eu> suffix and the corporate designation Oyj/ Plc). The key issue is whether the Complainant has the rights that it claims and whether the rights claimed are rights which are recognised by the Regulation.

7. Rights for the purposes of Article 21(1) are "rights that are recognised under national and/ or Community law". They expressly include the "prior rights" listed at Article 10(1) of the Regulation which "include… in as far as they are protected under national law in the Member-State where they are held: unregistered trademarks [sic], trade names, business identifiers [and] company names".

8. Therefore the Complainant must show that the rights claimed in its registered company name "Sponda Oyj / Plc" and/ or its unregistered trade mark SPONDA are rights that are recognised or established by the national law of Finland.

9. The Complainant has provided an extract from Finland's Trade Register showing that it does have a registration for the company name Sponda Oyj. Further, the Complainant contends that rights in a registered company name under Finnish law go beyond exclusive rights to use that name for a company and extend to a right to prohibit damaging use of confusing names by other businesses. It has identified the specific piece of Finnish legislation under which these rights are said to arise. In the absence of evidence to the contrary I accept that such rights are "rights" for the purposes of Article 21(1) of the Regulation and that the Complainant has proved hat it has such rights in its company name. In this respect I draw further comfort from the fact that pursuant to Sections 16(1), 16(4) and Annex 1 of the "Sunrise Rules" a Sunrise applicant could found their application on their prior rights with respect to a registered Finnish company name and that "an extract from the relevant companies or commercial register" was sufficient documentary evidence to validate those rights for the purposes of a sunrise registration.

10. So far as unregistered trade mark rights in the name "Sponda" are concerned, the position is less clear. The Complainant does not provide any evidence of the Finnish law of unregistered trade mark rights. There is simply an assertion that under Finnish law the SPONDA mark has become "established" and that under Finnish law trademark protection can be obtained either by registration or by

“establishment”. The Sunrise Rules state that “unregistered trade marks” are protectable under Finnish law. However, they do not identify the conditions that must be shown in order for such unregistered rights to exist. Fortunately, given the above finding in relation to rights in a registered company name it is not necessary to consider this further.

11. One final point to make is that in March 2007 the Complainant applied to register as a trade mark SPONDA in, amongst other places, Finland and as a Community Trade Mark. There have been a number of decisions where a trade mark registration application has not been deemed sufficient for a .eu ADR proceeding (see Peter A. Rueckert v. Domain Handler, decision no. 01387 for example). However, given the above finding regarding a registered company name, it is again not necessary to determine this issue in this case.

NO RIGHTS OR LEGITIMATE INTERESTS - OR - BAD FAITH REGISTRATION OR USE

12. The Complainant asserts and provides evidence that it has used the word ‘sponda’ in its business for more than 10 years and that Sponda Oyj is the largest real estate company listed on the Helsinki Stock Exchange. In the circumstances it seems clear that as a result of the Complainant’s activities the Complainant has developed a significant degree of fame in and become well-known under its ‘Sponda’ name.

13. At all times the website operating from the Domain Name has been in English and has borne the tell tale signs of being generated by a domain name parking service. Initially the website displayed generic click-through links, it later changed to one displaying click-through links specifically related to ponds and headed “S Pond A” and it has very recently since changed again to a website displaying links related to computer hard drives. The obvious inference is that revenue is being generated from the website by internet users using the click-through links displayed. This carries with it the implication that the Respondent had (and has) no interest in the Domain Name other than to use it in this manner to generate “click through” revenue on the internet and it was for this purpose that the Domain Name was registered and has been used.

14. There is nothing illegitimate per se in using a domain name to generate click-through revenue. However, registering a domain name for click-through revenue purposes in the hope and expectation that the similarity between the domain name and the trading name of a business will result in internet users mistakenly accessing a domain name parking site does not provide a legitimate interest.

15. In this case, I see no obvious explanation why the Respondent registered the Domain Name to generate click-through revenue other than because, by virtue of the fame of the Complainant’s ‘Sponda’ name, internet users would be confused by the Domain Name and access the website thinking it had some connection with the Complainant. This is supported by the evidence presented by the Complainant as to the fame of its ‘Sponda’ name, the lack of any connection between the Respondent and the word ‘sponda’, the fact that the Domain Name was registered on the first day of the Land Rush and the fact that ‘sponda’ has no obvious meaning in English (English being the language of the website and the Respondent’s address being in England). On this last point, although the website was at some stage pond-themed, I agree with the Complainant that this seems artificial and contrived and I also note that “S pond A” has no obvious significance in English and the website was not pond-themed until shortly after the Complainant’s letter. Further, I note that (as described above) as at the date of this Decision the Domain Name website is no longer pond-themed.

16. I therefore find that the Complainant has shown, prima facie, that the Respondent has no rights or legitimate interests in the Domain Name.

17. In light of my finding above as to the motives of the Respondent when registering the Domain Name, the Complainant has also shown, prima facie, that the Respondent registered and has used the Domain Name in circumstances evidencing bad faith pursuant to B11(f)(4) of the Rules; specifically, the Respondent registered the Domain Name to intentionally attract internet users, for commercial gain (click-through income), to the Domain Name’s website by creating a likelihood of confusion with the Complainant’s name.

18. In the circumstances, I find that the Complainant has satisfied the requirements of both Article 21(1)(a) and (b).

DECISION

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

PANELISTS

Name	**Matthew Harris**

DATE OF PANEL DECISION 2007-10-04

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant brought proceedings against the Respondent as it is entitled to do pursuant to Article 22(1)(a) of Commission Regulation (EC) No 874/2004 (the "Regulation") where a respondent's registration of a domain name is speculative or abusive.

The domain name at issue in this case is <sponda.eu>. The Respondent registered <sponda.eu> on the first day of Land Rush.

The Respondent filed no Response.

The Panel held:

1. The Complainant submits that it holds established (but unregistered) trade mark and registered company name rights under Finnish law in the 'Sponda' name and that these are 'rights' for the purposes of Article 21(1) of the Regulation.

2. The Panel was satisfied that the Complainant had provided the requisite evidence with respect to showing relevant rights in its company name and that that name was identical to the <sponda.eu> domain name. Therefore the Panel found that the Complainant had satisfied the first requirement of Article 21(1).

3. The Panel accepted that the Complainant was well-known under its distinctive name "Sponda" Further, the Panel was satisfied that 'sponda' does not have any credible meaning in English and that there was no obvious reason why the Respondent would have legitimate rights or interests in that name. The Panel also accepted that Respondent had registered <sponda.eu> in order to direct internet users to a website bearing all the hall marks of a domain name parking site and thereby to generate click-through revenue. On this basis the Panel was satisfied that the Respondent had registered and used the <sponda.eu> domain name with the Complainant (and the fame of the Complainant's "Sponda" name) specifically in mind and in order to generate income from internet users confused into accessing the website by the fact that the domain name is identical to the Complainant's mark.

4. As a result, the Panel held that the Complainant had made out a prima facie case that the Respondent has no rights or legitimate interests in <sponda.eu> and had registered and is using <sponda.eu> in bad faith. The Panel therefore concluded that the Complainant had satisfied both of the remaining (alternative) requirements of Article 21(1).

Accordingly, the Panel accepted the Complaint.