Panel Decision for dispute CAC-ADREU-005578

Case number	CAC-ADREU-005578
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Domain names	noonan.eu

Case administrator

Name	Tereza Bartošková

Complainant

Organization / Name	Noonan Services Group, Toman MacGinley

Respondent

Organization / Name	OEEO NETWORKS LIMITED, Michael Kopinski

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 of which the Panel is aware.

FACTUAL BACKGROUND

1. The Claimant is Noonan Services Group Limited a company incorporated in the Republic of Ireland. It is one of a number of companies registered in Ireland and in the United Kingdom that forms part of the “Noonan Group”. According to information available on the website of the Irish Companies Registration Office the Claimant was incorporated on 14 July 2008 but claims to form part of a business “in operation” since 1977.

2. The Claimant is the present owner of Irish registered trade mark no 241549 in classes 35, 37, 44, 45 with a date of effective registration of 14 February 2008. The mark takes the form of a large stylised letter “N”, under which is the word “Noonan” in text and under this in smaller text are the words “Services Group”.

3. The Domain Name (<noonan.eu>) was registered on 7 April 2006.

4. The Respondent would appear to be a company registered in the United Kingdom that has been involved in two previous sets of .eu ADR proceedings: i.e. Hans Beckhoff v Oeeo Networks Limited ADR Case No. 03565 and Mills Brothers B.V. v Oeeo Networks Limited ADR Case No. 04725.

5. At all relevant times the webpage operating from the Domain Name has borne the hallmarks of being generated by a “domain name parking” or “pay-per-click” service. It has displayed a large number of sponsored links or searches.

6. The Complainant commenced these proceedings on 28 December 2010. The Respondent did not file a Response.

7. Having filed the necessary Statement of Acceptance and Declaration of Impartiality and Independence, I was appointed as the panellist in this matter on 5 March 2010. The case file was transmitted to me on 9 March 2010.

8. On 10 March 2010 having examined the case file, I formed the view that the Complaint was problematic in a number of respects. Various companies were listed in the Complaint but the document failed adequately to identify who was or were the intended complainants in these proceedings. There was also a failure to properly identify what rights were relied upon by whoever was the complainant. It nevertheless seemed likely that the complainant was one or a number of companies in the “Noonan Group” and that the relevant complaint possessed some sort of right for the purposes of Commission Regulation (EC) No. 874/2004 (the “Regulation”).

9. Accordingly, on 10 March 2010 I issued a procedural order (the "Procedural Order") requiring the Complainant to file a further submission addressing these issues (and these issues only) by no later than 17 March 2010. The Procedural Order also provided for the Respondent to file a further submission in response by no later than 23 March 2010.

10. A further submission was filed by the Complainant in response to the Procedural Order on 16 March 2010. The Respondent did not file a further submission in response.

A. COMPLAINANT

1. The initial Complaint was extremely short. It is convenient to reproduce the substantive text of this document in its entirety:

"The Complainant alleges that the Respondent's registration of the Domain Name (noonan.eu) is speculative or abusive according to Art. 21(1) a) and b) of Commission Regulation (EC) No. 874/2004

Noonan Services Group is a facilities management group (cleaning & security) based in Ireland and the UK that trades under the brand name "Noonan". To consolidate all our various domains & companies, we plan to operate all companies under the a single European domain name "noonan.eu"

We intend to redirect all our current domains (noonan.ie, noonanservices.ie, noonanservices.co.uk etc.) to noonan.eu

Noonan Services Group currently have the following registered company names & locations:

Company Place of Incorporation Company Number

Noonan Services Group Ltd Ireland 459859
Noonan Cleaning Group Ltd Ireland 464983
Noonan Services Group (UK) Ltd UK 5049403
Noonan Cleaning (NI) Ltd Northern Ireland NI 19004
Noonan Facility Services Ltd Ireland 471999

Noonan.eu has already been registered by the Respondent and currently hosts "sponsored links" along with a link allowing users to "make an offer" for the domain.

The Respondent has not answered any of my numerous emails or telephone calls.

The Respondent does not use the domain name for any legitimate commercial or non-commercial purposes.

The Respondent also appears to have registered the domain name in bad faith and has a history of doing so in the following ADR cases:

Case 03565 (Ethercat.eu)
Case 04725 (Thesting.eu)"

2. No supporting evidence was offered in relation to any of these statements.

3. The supplemental submission filed by the Complainant in response to the Procedural Order, stated that the proceedings had been brought by only one of the companies listed in the initial Complaint, i.e. Noonan Services Group Limited only. It also identified and evidenced that company's ownership of Irish registered trade mark no 241549.

4. The supplemental submission also sought to put forward further argument and evidence on the issues of right and legitimate interests and bad faith. These aspects of the submission fell outside the scope of that permitted by the Procedural Order and I see no good reason why they should be allowed in these proceedings. Accordingly, I have not taken these submissions into account for the purposes of this decision.

B. RESPONDENT

The Respondent has filed no submission in these proceedings.

DISCUSSION AND FINDINGS

WHAT NEEDS TO BE SHOWN

1. In order to succeed in its Complaint, the Complainant must satisfy the requirements of Article 21(1) of the Regulation. 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 non-exhaustive 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).

3. Paragraph B.10(a) of the ADR rules provides that in the event a party to proceedings 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 address each of the constituent parts of Article 21(1) of the Regulation in turn:

IDENTICAL OR CONFUSINGLY SIMILAR DOMAIN NAME

6. The Complainant possesses a registered Irish trade mark in respect of which the term "Noonan" plays a significant (if perhaps not the most substantial) element. The Domain Name comprises this term alone combined with the .eu TLD.

7. The Regulation obviously has a foundation in European legislation. It is therefore a somewhat different creature than the contract based ADR processes that operate in relation to other types of domain name. Nevertheless, the Regulation has a number of common elements with the Uniform Dispute Resolution Policy ("UDRP"), from which it has in large part been derived.

8. The wording "identical or confusingly similar" is one of the phrases that that has been taken from the UDRP. In the case of the Regulation it applies to a set of rights that are in one sense broader and in another sense narrower that those that are relevant under the UDRP. The Regulation does not require trade mark rights, but instead rights in a name of which trade mark rights are simply a sub-set. In that sense the Regulation is broader in scope. However, it is narrower in the sense that the rights relied upon must be rights recognised by Community law or the laws of Member States.

9. The test required by the words "identical or confusingly similar" has on occasion been described as a "threshold" or "standing" requirement under the UDRP (see, for example Research in Motion Limited v. One Star Global LLC WIPO Case No, D2009-0227), and I see no reason why it is should be understood in a more narrow sense so far as the Regulation is concerned (see also paragraph 15 of City Inn Limited v World Online Endeavours Limited, ADR Case 0339).

10. With this in mind, I have no difficulty in concluding that the Domain Name is confusingly similar to the Complainant's Irish registered trade mark. The Complainant has therefore made out this requirement in Article 21(1) of the Regulation.

RIGHTS OR LEGITMATE INTEREST – OR – BAD FAITH

11. The way in which the Complainant has presented its case is problematic. There is a description of how the Domain Name is being used (i.e. in connection with a domain parking or pay per click service and offers for sale), but there is no attempt to address the question of the Respondent's motives in registering and using the Domain Name.

12. Clearly the Respondent seeks to generate "pay -per-click" revenue from the Domain Name and there is nothing to suggest that the Respondent has used or ever intended to use the term "Noonan" as a name for any aspect of its business activities. I also accept (in the

absence of any evidence to the contrary) the Complainant's contention that the Domain Name is available for sale.

13. However, there is also nothing before me to suggest that the Domain Name was chosen or is being used by the Respondent with any specific association with the Complainant in mind. The Complainant has not alleged this and no evidence has been filed from which it would be reasonably possible to draw this conclusion. As has already been stated, the registration of the Domain Name appears to predate the incorporation of the Complainant. This is perhaps not that significant, since according to the Complainant it is part of a group of companies and business using the Noonan name since the 1970s. More problematic is that fact that no evidence has been put before me as to the size and extent of that business and the reputation of the Noonan name either then or now. Further, there is no evidence before me to the effect that the Noonan name is particularly unusual and/or is uniquely associated with the Complainant's business. Indeed, as far as I can tell (although it is important to record that there simply no evidence before me on this issue) "Noonan" is simply an Irish surname.

14. Further, there is no evidence before me that the sponsored links that appear on the webpage operating from the Domain Name relate to business activities of the Complainant of other companies within the Noonan group. This is not a case where any inference can be drawn from the nature of the links that appear on the pay-per-click page.

15. Traditionally bad faith has been understood in broad terms as covering conduct that is directed to taking some form of unfair advantage of the rights of another. If this is also correct under the Regulation, there is insufficient material before me to conclude that the Domain Name was either registered or is currently being used in bad faith in this sense. The question, therefore, becomes to what extent the Regulation encompasses a broader definition of bad faith that previously envisaged by the UDRP system on which the Regulation was in large part based and/or whether the Complainant can still succeed in these proceedings by showing that the Respondent has no right or legitimate interest in the Domain Name.

16. Unfortunately, these are far from straight forward questions. To understand why, it is necessary to explain how the UDRP has developed and the differences between it and the Regulation.

17. Under the UDRP a complainant must show both bad faith AND a lack of a right or legitimate interest on the part of a respondent. Non-exhaustive examples of each of listed in the Policy. Defining the exact relationship between these two concepts (and "bad faith" and "legitimate interests" in particular) has been at times problematic. Although not an invariable rule, in most common situations that arise under the UDRP, panels have been prepared to find where there is bad faith use that there is also no legitimate interest. Conversely, the existence of a legitimate interest often leads to a finding that there is no bad faith use.

18. So, for example, under the UDRP some panels have held that the use of a domain name because of its descriptive or generic content not only does not involve bad faith registration or use but also provides a positive legitimate interest within the scope of that Policy (see paragraph 2.2 of the WIPO Overview of WIPO Panel Views on Selected UDRP Questions). Indeed, some panels have asserted that the registration, possession and trade in domain names solely because of their descriptive content may provide such a legitimate interest (see for example Express Scripts, Inc. v. Windgather Investments Ltd. / Mr. Cartwright WIPO Case No. D2007-0267). And yet if this is correct, this in turn raises the question to what extent the concept of "legitimate interests" plays a truly independent role under the UDRP or is simply (at least so far as use is concerned) the flip side of a finding of a lack of bad faith .

19. Whilst this conceptual problem has caused limited difficulty in practice, it is one that the drafters of domain name legislation and other domain name ADR systems have nevertheless recognised and sought to avoid. For example, the US Anticybersquatting Consumer Protection Act (ACPA), 15 U.S.C. § 1125(d), does not require a specific showing of lack of rights or legitimate interests. Instead, some of the examples of rights or legitimate interests that are found in the UDRP are listed (albeit in a slightly different form) amongst a number of factors which may point away from or towards a finding of bad faith. Similarly, the Nominet DRS Policy that applies in relation to various ".uk" domain names also avoids the "rights or legitimate interests" concept. Instead, it provides that the activities that broadly might be said to provide a right or legitimate interest under the UDRP provide a defence to a finding of "abusive registration" under the Nominet Policy.

20. This is not the path that was adopted by the drafters of the Regulation. Instead, they broadly took the concepts of lack of rights or legitimate interests and bad faith previously found in the UDRP and declared that if a complainant could show one or the other then he could succeed under the Regulation. Further, whilst "abusive" was a term that had been commonly used as a short hand term for a domain name that fell foul of a domain name ADR procedure, the drafters also added the word "speculative".

21. Unfortunately, there appears to have been little consideration or explanation of what these changes were intended to mean in practice. This question is particularly acute when it comes to cases where the registrant is a trader in domain names that have a general or descriptive meaning or that otherwise might be legitimately used by more than one entity (for example a common surname). Were the

changes made in the Regulation intended to radically expand the scope of the operation of the Regulation so as to cover these types of registration even in the absence of bad faith directed to a particular rights holder?

22. The Regulation was made under the auspices of Regulation (EC) no 733/2002, but this provides little guidance on this issue. Recital 16 of Regulation (EC) no 733/2002 states as follows:

"(16) The adoption of a public policy addressing speculative and abusive registration of domain names should provide that holders of prior rights recognised or established by national and/or Community law and public bodies will benefit from a specific period of time (a 'sunrise period') during which the registration of their domain names is exclusively reserved to such holders of prior rights recognised or established by national and/or Community law and public bodies."

This suggests that the legislation should address "speculative" registrations, but the only provision mandated in this respect is the introduction of an .eu sunrise period.

23. Article 1(b) of Regulation (EC) no 733/2002 refers to the adoption following consultation of:

"public policy on speculative and abusive registration of domain names including the possibility of registrations of domain names in a phased manner to ensure appropriate temporary opportunities for the holders of prior rights recognised or established by national and/or Community law and for public bodies to register their names"

Therefore, the Commission was mandated to address the question of "speculative" registrations but again this seems predominantly in the context of the sunrise period.

24. The wording of the Regulation appears, however to have gone further. Although Recital 11 refers to "first-come-first-served" as the "basic principle" of registration, Recital 16 states as follows:

"(16) The Registry should provide for an ADR procedure which takes into account the international best practices in this area and in particular the relevant World Intellectual Property Organization (WIPO) recommendations, to ensure that speculative and abusive registrations are avoided as far as possible."

Therefore, it seems that the Commission sought to set its face against speculative registration per se, and not just in the context of the sunrise procedure.

25. Further, the wording of the Regulation itself supports that view. Article 22(1) refers to the commencement of proceedings where a "registration is speculative or abusive within the meaning of Article 21" and talks of the revocation of "speculative" or "abusive" registrations (Article 22(11)). Further, Article 21 itself is headed "speculative and abusive registrations"

26. The trouble is that the term "speculative" is not defined in either of the regulations and does not appear in the text of Article 21 itself. Is it then intended as merely a synonym for abusive registration, or does it do something more? If it does add something more, does it justify a radical departure from the UDRP position so as to make registration and trading in .eu domain names unconnected with any other business activity?

27. The fact that such a fundamental question was left hanging in the Regulation is unfortunate. It is also puzzling since such trading activities were well known at the time that each of the regulations were prepared. It is a fact that does not reflect well on the drafters of the legislation.

28. There is no discussion of this issue in Case C-569/08 Internetportal und Marketing GmbH v Richard Schlicht, which is currently before the ECJ; although it is interesting to note that the Commission may have put forward the position in argument that the concept of "legitimate interests" and "bad faith" "constitute a single fact" (see Opinion of the Advocate General paragraph 45).

29. There has also been limited discussion of this fundamental issue in previous .eu decisions under the Regulation. It seems that in most cases decided on the basis of an absence of a right or legitimate interest the decision have not turned on what a legitimate interest actually entails but instead on findings by the panel that the burden of proof had shifted to the respondent and the respondent had failed to put forward an explanation for his activity.

30. In Memorex Products Europe Limited v Goallover Limited (ADR Case 01196) the panellist stated:

“The intention beneath the Commission Regulations (EC) 733/2002 and (EC) 874/2004, as is apparent from the recitals of the said regulations, has been to allow holders of legitimate and genuine prior rights to register domain names, which correspond to their proprietary rights. The intention has not been to allow for speculative and abusive domain name registrations based on such trademark rights, which are not based on genuine and bona fide need for an exclusive right, but instead to prevent any such speculative and abusive registrations”

This was a case where the respondent was the holder of a trade mark that corresponded to the domain name in issue and this led the panel to conclude that a “right” did exist. There is no discussion of legitimate interests. Nevertheless the comments as to the underlying intent of the Regulation are of potential relevance.

31. Ultimately, I am inclined to the view that the word “speculative” ought to be given some sensible and substantive meaning (rather than being considered as an empty synonym for abusive) which extends the operation of Article 21 beyond the scope of “abusive” registrations as they have been understood under other domain name policies . Further, as matters currently stand (and notwithstanding possible argument from the Commission to the contrary in the Interentportal case), this is perhaps best seen as imposing for the purposes of the Regulations a more narrow definition of what constitutes a legitimate interest than at least some have taken to be the case under the UDRP.

32. First, there is the natural meaning of the word “speculative” itself. It suggests someone who has no real interest in using a domain name in connection with any separate and independent business activity and who has registered the domain name because it may have value in and of itself. The most obvious example here is someone who has registered a domain name primarily because he believes he may be able to sell it to some other entity at a profit.

33. Second, there is the fact that the history of the Regulation shows that this term was at least initially used to justify the adoption of a sunrise process in relation to the domain name. Of course, I am not saying that to have a legitimate interest it is necessary to have a right that would have justified a sunrise registration. It is simply that the sunrise procedures were in large part directed to pre-empting registrations from those who were domain name traders and the fact that the same term is used in the context of Article 21 is something that can be taken into account when considering the scope of that provision.

34. It is also an approach that is consistent (at least so far as outcome is concerned) with those large number of decisions where the reversal of the burden of proof has been decisive when it comes to the question of assessment of rights or legitimate interests.

35. With this in mind I reach the conclusion (notwithstanding the paucity of the evidence brought forward by the Complainant on this issue) that in the circumstances of this particular case the Complainant has shown that the Respondent lacks rights or a legitimate interest under Article 21 of the Regulation. There appears to be no seperate business use by the Respondent of the Domain Name beyond use in connection with a pay-per-click website. There are also offers to dispose of the Domain Name. This, in the absence of any argument or evidence on the part of the Respondent to the contrary, is sufficient to justify a finding of a lack of a legitimate interest.

36. Accordingly, the Complaint has shown on the balance of probabilities that the Domain Name falls within the scope of Article 21.

REMEDY

37 The Complainant, having satisfied the requirements of the first paragraph of Article 21(1) and of Article 21(1)(a) is entitled to obtain revocation of the Domain Name.

38. Under Article 22(11) of the Regulation (mirrored in paragraph B11(b) of the ADR Rules) a panel may only order the transfer of a disputed domain name to a successful complainant where that complainant can also show that it satisfies at least one of the criteria for eligibility for a .eu TLD set out in Article 4(2)(b) of regulation (EC) No. 733/2002.

39. The first of those criteria is that the registrant is an: “undertaking having its registered office, central administration or principal place of business within the Community”. It is clear that the Complainant, being a company registered and based in the Republic of Ireland satisfies this criterion. It is therefore entitled to transfer of the Domain Name.

PROCEDURAL ISSUES

40. I have already explained above that the initial form of the Complaint in this case was less than satisfactory in a number of fundamental respects. As a relatively cursory examination of the Complaint would have revealed, it failed to properly identify who was the complainant in this case or the right or rights relied upon. It appeared to me more likely than not that the Complainant could address

these issues and this is why I made the Procedural Order.

41. However, whether a panel should issue a procedural order of this sort is not uncontroversial, and it would be preferable if the Complaint had been subject to some form of initial review and the Complainant asked to clarify its position in relation to these basic points before the Complaint was placed before me. I appreciate that there is a unwillingness of an ADR provider to become involved in the substance of the dispute between parties. Nevertheless, I do not believe that this should preclude some form of administrative review as to whether basic information that ordinarily would be expected in a complaint is actually present.

42. There are a number of ways in which this could be done. Both WIPO under the UDRP and Nominet under its DRS, have procedures in place to address these sorts of issues. In the case of WIPO, where there is an obvious omission in a complaint, WIPO may contact the complainant and ask it whether it wishes to amend the complaint to deal with that omission. In the case of Nominet, there is a document known as the “Chairman’s letter”, which will be sent out to a complainant where the complaint appears to have been inadequately prepared.

43. In neither case is a complainant forced or required to make a change to his complaint. It is quite right that this should be so, since ultimately it is for the relevant panel or expert rather than the ADR provider to determine whether the requirements of the relevant policy have been met. Nevertheless, these administrative procedures do to some degree usefully reduce the number of poor quality complaints put before a panel. As a consequence, proceedings can be dealt more efficiently and the additional costs and potential delay suffered by the parties where a procedural order has been made may be avoided.

44. ADR.eu may wish to consider to what extent it would be possible to introduce an equivalent process or procedure in proceedings under the Regulation and/or whether there is some other mechanism that might be put in place (for example changes to the online system used to file complaints) to usefully address this issue.

DECISION

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

PANELISTS

Name	Matthew Stuart Harris

DATE OF PANEL DECISION 2010-03-17

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

The Complainant is the owner of an Irish registered trade mark in which the word "Noonan" plays a prominent (if not the pre-dominate) part and the Domain Name comprises the term "noonan" in conjunction with the .eu TLD alone. In the circumstances, and bearing in mind that Article 21 of Commission Regulation (EC) No. 874/2004 (the "Regulation") imposes a "threshold" requirement so far as the test of confusingly similarity is concerned, the Complainant has adequately demonstrated that the Domain Name is confusingly similar to the Complainant's mark.

There was insufficient evidence before the Panel to show that the Domain Name was either registered or used in bad faith in such a way as any bad faith was directed to the Complainant or its business.

However, the fact that the Domain Name was only being used in conjunction with a "pay-per-click" or "domain name parking" site and was also being offered for sale was sufficient to justify a finding that the Respondent had no "rights or legitimate interest" in the Domain Name so far as that term was to be understood under the Regulation.

In coming to that conclusion the Panel was of the view that the concept of legitimate interest (in possible contrast to the use of the same term under the UDRP) should be understood narrowly so as to not be satisfied where the domain name was registered and was being used "speculatively"; i.e. because the domain name might have some value in and of itself (particularly because some other entity might wish to use it) rather than with the intention of using it in connection with with some separate and independent business activity.

Given that the Panel was satisfied that the Complainant was an "undertaking having its registered office, central administration or principal place of business within the Community”, it ordered the transfer of the Domain Name to the Complainant.

Finally, the Panel commented on the fact that it was unsatisfactory that the Complainant had come before the Panel in its initial form. It suggested that ADR.eu may wish to give consideration to introducing some process or procedure similar to that adopted by other domain name ADR providers to identify potentially inadequate complaints and to give complainants an opportunity to modify the same.