Panel Decision for dispute CAC-ADREU-005996

Case number	**CAC-ADREU-005996**
Time of filing	**2012-01-10 16:07:53**
Domain names	**arcabit.eu, arcavir.eu**

Case administrator

Name	**Tereza Bartošková**

Complainant

Organization / Name	**Arcabit Sp. z o.o., Arcabit Sp. z o.o.**

Respondent

Organization / Name	**Piotr Warmowski**

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 Complaint was filed by the Arcabit sp. z o.o., incorporated in Poland in 2004 (date of its registration in the National Court Register is indicated as 22 April 2004). The Complainant conducts activities related to information technology and computer software, focusing particularly on providing and selling anti-virus software and malware-protection products. In the first place, the Complainant offers a wide range of products under the brand Arcavir, designed in various forms in order to protect computer systems and ensure their security (e.g. ArcaVir 2012 Internet Security, ArcaVir 2012 Antivirus, ArcaVir Pocket PC).

The Complainant is entitled to several trademarks, as follows:

- ARCABIT, date of filing: 10 January 2005, date of publication: 18 April 2005, date of registration: 2 October 2006, registration number: 183416;
- ArcaVir, date of filing: 10 January 2005, date of publication: 18 April 2005, date of registration: 2 October 2006, registration number: 183417,
- Figurative trademark, date of filing: 4 August 2005, date of publication: 14 November 2005, date of registration: 30 August 2007, registration number: 195339.

All the aforementioned trade marks were registered in the Polish Patent Office. It should be mentioned that there are no registered or applied for Community trade marks under the name arcabit or arcavir. Complainant also holds rights to the several domain names involving the term arcabit, arcavir or arkabit, registered in different dates.
The disputed domains – arcabit.eu and arcavir.eu – were registered on 7 June 2006 for the benefit of Respondent.
Between 2009 and 2011 the Complainant contacted the Respondent few times with intention to repurchase the domain names in question, however, the latter did not express any will to sell them.

A. COMPLAINANT

Apart from the Complaint, the Party has also submitted pleading to the Response in which the Complainant`s position was upheld.

The Complainant claims to conduct business since 2004 under the business name “Arcabit” and is commonly known by computer users worldwide, mostly due to being the sole producer of the antivirus program distributed under the trade name “Arcavir” also since 2004. Subsequently, the Complainant points out the rights and entitlements being in its possession and combines them with the relevant legal background, on the basis of which they shall be recognized and protected.
Firstly, the Complainant alleges that three national trade marks (already mentioned above) registered for its benefit are protected by the

Polish Industrial Property Rights Act of 30.06.2000 (hereinafter referred to as IPR). The Complainant also cites few IPR legal provisions: art. 120 determining which designation may be considered as a trade mark, art. 121 stating the Polish Patent Office`s power to grant the protection right and art. 153 indicating that by gaining the protection right to the trade mark the person or company acquire the right for exclusive use of the trade mark in commercial or professional manner within the territory of the Republic of Poland. As the verbal sphere of the Complainant`s trade marks involves the terms: arcabit and arcavir, they shall be legally protected in the virtue of the aforementioned regulation.

Secondly, the Complainant maintains that he also hold rights to the following domains: www.arcabit.pl, www.arcavir.pl, www.arcabit.net.pl, www.arcabit.org.pl, www.arcabit.biz.pl, ww.arcabit.info.pl, www.arcabit.waw.pl, www.arcabit.net, www.arcabit.org, www.arcabit.biz, ww.arcabit.info, www.arcabit.co, www.arcavir.co, www.arcavir.com, www.arcabit.com, ww.arcavir.com.pl, www.arcabit.com.pl, www.arkabit.com.pl, www.arkabit.pl, ww.arcavir.us, www.arcavir.lv, www.arcavir.de, www.arcavir.lt, www.arcavir.es, www.arcavir.ru, ww.arcavir.fr, www.arcavir.it, www.arcavir.at, www.arcavir.in, through which Arcavir product have been distributed since 2004.

Further, the Complainant supports his claim also by indicating that Arcavir is widely protected under the Polish Act on Copyright and related rights of 4.02.1994 and Polish Civil Code, mainly its art. 432, providing the legal protection for the business name under which the entrepreneur is acting. In the case herein, the Complainant has been conducting his activity always under the same business name – Arcabit – as it is evidenced in the excerpt from the National Court Register, and therefore, shall be entitled to the certain protection on the basis of the Civil Code.

Lastly, the Complaint emphasizes that both names are simultaneously protected by the Polish Act on Combating Unfair Competition of 16.04.1993, as in the subjective situation the Respondent is using the business name and the brand name of a product or service which were used earlier by another entrepreneur (Complainant). Moreover, article 5 of the aforementioned act states that as an act of unfair competition shall be recognized the designation of the undertaking in a way which may mislead consumers in relation to its identity, due to the use of trade mark, name emblem, letter abbreviation or another characteristic symbol already lawfully used to indicate another undertaking. The Complainant also points out articles 10 and 18 of the Act on Combating Unfair Competition, alleging that the Respondent`s activity infringed the first provision as it misleads consumers in relation to the origin and another significant features of products and services and indicating the latter provision, describing the requests of an entrepreneur, whose interest is threatened or infringed, as consequences of the potential commitment of an act of unfair competition.

Bearing in mind the aforementioned statements, the Complainant claims that the disputed domain names shall be subject to revocation on the grounds of article 21(1) of Regulation (EC) 874/2004 (hereinafter referred to as: Regulation).
As demonstrated and listed above, the Complainant has established rights in the names “Arcabit” and “Arcavir” for the purposes of article 21(1) of Regulation. Additionally, the Complainant maintains that both domain names were registered without any rights or legitimate interest, which according to 21(2) of Regulation 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 Complaint reminds that the current domain names holder is a natural person who does not enjoy any rights whatsoever connected to the Complainant`s business name or related to the products in its offer, e.g. anti-virus program and as such, he does not have any legitimate rights or interests to those domains. Additionally, the Complaint states also that the domain names in question have been registered and used in bad faith, on the basis of article 21(3) (b) (ii), where 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 the domain name has not been used in a relevant way for at least two years from the date of registration and article 21(3) (e), where the domain name registered is a personal name for which no demonstrable link exists between the domain name holder and the domain name registered. In the present case, the Respondent is neither related in any way with Complainant nor has he ever used the trademark and domain names for any business, since their registration date, which occurred more than two years ago. Moreover, there is no evidence of any preparations to apply them either in fair commercial use or non-commercial one and the Complaint claims that the disputed domain names transfer directly Internet users to his company domain name.
Due to the presented circumstances, the Complaint hereby applied for transferring the disputed domain names arcabit.eu and arcavir.eu to the Complaint.

B. RESPONDENT

The Response has not been filed within the prescribed deadline therefore the Respondent is in default (Art. B 3 (f) of the ADR Rules). However, the Response and the reasons of its late submission were presented with substantial delay to the Panel to consider it in its sole discretion, and accordingly the Panel decided to take into account also the Respondent`s position.

The Respondent emphasized that the registration of disputed domain names was and remains a non-profit activity. He stated that neither did he register or use the domain names for a financial profit nor does he plan to gain financial benefits from them in the future. Further, the Respondent explained that the registration of the disputed domain names was a part of his wider activity of registration of .eu domain names with intent to develop them in the future and that he acted in good faith and in accordance with applicable law.

The Respondent admitted that he was familiar with both of the domain names due to the fact that Arcabit and Arcavir brands were involved in a publicly known dispute between the Arcabit Sp. z o.o. (i.e. the Complainant) and MKS Sp. z o.o. The Respondent stated that it was his intention to cover the course of the aforementioned dispute and that in his opinion the arcabit.eu and arcavir.eu domain names suited for such a purpose.

He noted that the Complainant failed in its attempt to register the disputed domain names within the Sunrise II period – EURid rejected his application. The Respondent argues that this – together with the facts that the Complainant did not possess a registered trade mark covering the disputed domain names and its brand recognition in the relevant market was insignificant – led him to a conclusion that Complainant did not posses any rights to the disputed domain names. Moreover, he explained that in 2006, shortly after registering the disputed domain names, he redirected both domains to the Complainant`s domains as he was abstaining from publishing information concerning the MKS Sp. z o.o. – Arcabit Sp. z o.o. dispute until the judgment of the court.

The Respondent underlines that „Arcabit" and „Arcavir" trade marks shall not be treated as constituting grounds for protection of the disputed domain names since the decision awarding protection for those trademarks was not issued until several months after the contested domain names were registered. Thus, at the time of registration of the disputed domain names, the aforementioned marks were not yet protected under IPR. Furthermore, the Respondent argued that since the decision granting the protection right is of a constitutive nature, then no such protection may be extended over the period preceding the issuance of that decision. In support of his position, the Respondent states that Article 153 (2) of IPR is intended to determine the expiry date of granted protection right and not to indicate the moment of constitution of the right.

Moreover, the Respondent claims that the Complainant`s brand is not well-known on the global market and most of the domain names mentioned by the Complainant were either registered after the registration of the disputed domain names or were expired and not renewed by the Complainant.

DISCUSSION AND FINDINGS

1. Both the Complainant and the Respondent submitted their positions in the case as well as the relevant documentation. They were allowed to present their positions and to submit any evidence related to the case. Neither of the parties requested evidence from witness hearing, expert's opinion or parties hearing. They did not request a court hearing either.

2. The Panel stated that each of the parties was in position to defend its rights in the course of proceedings. The Panel decided that no exceptional circumstances that – in the light of Article 9 of the ADR Rules – would justify conduct of a hearing. For these reasons the case has been settled on the general terms, on the basis of the documents put forward by the parties.

3. Legal background for the registered domain name revocation

3.1 According to article 21(1) of Regulation, a registered domain name shall be subject to revocation, where that name is identical or confusingly similar to name in respect of which a right is recognized or established by national and/or Community law, such as the rights mentioned in Article 10(1) of Regulation 874/2004, 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.

3.2 In consideration of the Factual Background and the Parties' Contentions stated above, the Panel decided to examine all the relevant legal requirements and, accordingly, has arrived to the following conclusions.

4. The name is either identical or confusingly similar to a name in respect of which a right is recognized or established by national and/or

Community law

4.1 The evidence provided by the Complainant shows that there were two national trade marks registered for his benefit, which are important for the present case – ARCABIT and ArcaVir. The Panel considers them as the prior rights as referred to in article 10 of Regulation. Moreover, the Panel must disagree with the Respondent`s thesis regarding the absence of legal protection covering the aforementioned trade marks in the time period relevant for the subjective case. The Panel presents a position that the trade marks applied for and published in a publicly available source shall be considered as an existing right recognized by the national law. Namely, on the basis of IPR (article 153 (2)) duration of the protection right for a trade mark is clearly established from the date of application for the trade mark in the Patent Office. Irrespective of the fact that an effective enforcement of claims and conducting legal actions against unlawful trade mark`s usage may begin after granting registration, the proper protection commences on the application date. The interpretation described hereinabove is in accordance with previous Panel decisions, in example the case No 06116 SPADLING, in which both Community trade marks constituting the claims ground were registered after the disputed domain name and still taken into account or case No 05969 NGM, where the Panel stated that: ”Regarding the Respondent's argument that the Complainant's trademarks were registered after the respective domain name was registered, I must stress that once a trademark is registered, it is valid and enjoys protection from the application date, or, if applicable, from the priority date. The respective domain name was registered on 10 January 2008, whereas the above mentioned Italian trademark NGM No. 0001245829 has the application date of 28 December 2007, and the Community trademark has the priority date of 28 December 2007. Therefore, both trademarks must be regarded as earlier rights in relation to the respective domain name”. Both trade marks are identical to the disputed domain names.

4.2 The Complainant also proved that the term Arcabit is subject to the protection established by the Civil Code with reference to the entrepreneurs` business name. It should be noted that the company name is expressly mentioned in article 10 of the Regulation, constituting one of the prior rights which may be a basis for the claim for a registered domain name revocation. It has remained unchanged since the Complainant`s company incorporation and has entered into a respective register in 2004. It has been numerously stated that the provisions regulating personal rights shall be applied to business names as the business name constitutes a right closely related both to the determined legal entity and conducted business activity (e.g. Supreme Court judgment of 26.09.2001, file No II Cr 753/90). Therefore, making use of the personal name (business name) by an unauthorized entity enjoys the legal protection provided for those rights in the Civil Code. In general, it should be stated that using a complete business name, which identifies another entity, in the domain name may at least threatened that entity´s personal rights, and as such shall be regarded as unacceptable. The Panel would like to emphasize that the Complainant did not manage to prove that his personal right to the business name Arcabit has been already infringed but the mere fact that the Respondent`s actions threatened this right (e.g. by suggesting the connection between the Complainant and the Respondent) are sufficient to breach the Civil Code regulation. Obviously, the Complaint`s business name is identical to the disputed domain name arcabit.eu.

4.3 However, the Panel maintains that the term Arcavir shall not be protected by the Act on Copyright and related rights, as this regulation covers pieces of work constituting signs of an individual character or creative activity, such as computer programs. Thus, it is the Acravir anti-virus system protected, not its sole name. Therefore, the subjective name shall not be regarded as a piece of work in this case.

4.4 The Complainant is entitled to the legal protection in the terms of Act on Combating Unfair Competition. The domain name should be generally assessed as performing function of the goods`, services` or entrepreneur`s identification. Unlawful exploitation of such a distinctive designation in the domain name shall be regarded as an activity threatening or infringing the interest of another entrepreneur (article 3 of the aforementioned act), who has been using this name earlier. However, in the present case, the Panel assumed the rights and legal protection should be granted only to the following domain names: www.arcabit.pl, www.arcabit.com, since the Complainant did not provide the Panel with evidence on the registration date of the domain names he claims to hold. Moreover, the Complainant proved payments for certain time periods only, various for different domain names, and the majority of the domain names does not work or redirect to the main Complainant`s domain name. However, redirecting consumers to the Complainant´s website may be regarded as infringing the latter`s interests, and in consequence this activity could be deemed as an accessory use in the terms of the aforementioned act. Having mentioned that, the Panel would like to outline that the Act on Combating Unfair Competition provides protection in relation to the relationships between entrepreneurs only, whereas in the present case both Parties stated that the Respondent does not conduct business activity. Therefore, the Panel has not been served with sufficient evidences to decide on the infringement of the Complainant`s rights on the grounds of Act on Combating Unfair Competition, as the Respondent may not be considered as an entrepreneur in that case.

4.5 Taking into account the aforementioned examination, the Panel assumed that the Complainant holds the rights to the disputed domain names recognized by the national law, namely related to the registered trade marks and business name. Moreover, arcabit.eu and arcavir.eu involve the names identical to those legally protected names. Therefore, the Panel decided to discuss the subsequent requirements of article 21 of Regulation as the Complainant´s rights shall be deemed as prior rights in the sense of article 10 of

Regulation.

5. A domain name has been registered by its holder without rights or legitimate interest in the name

5.1 As it has been already discussed in the numerous Panel`s decisions (e.g. case 2035 WAREMA), ”although the burden of proof lies with the Complainants, the existence of a right or legitimate interest is difficult to prove since the relevant facts lie mostly in the sphere of the holder. Hence, the Panel holds that it is sufficient that the Complainants contend that the obvious facts do not demonstrate a right or legitimate interest of the Respondent in the Domain Name. The onus then shifts to the Respondent to produce factual evidence for a right or legitimate interest”. This approach shall be followed in the current case as well.

5.2 The Panel indicates that the disputed domain names have never been used in any way since their registration in 2006 – they have neither been used for offering any goods or services, corresponding to their holder´s activity, nor have there been any demonstrable preparations to do so. The Respondent is also not commonly known by those domain names and he did not deny any of the aforementioned facts. Furthermore, he presented no evidence of holding right or legitimate interest in the names at the time of their registration. The Respondent indicates that his intention was to cover the story of Arcabit and Arcavir and share it online under the domain names in question. Even if the sole intention may not be regarded as unlawful as to its nature, it may not constitute the basis of any right or legal interest whatsoever.

5.3 There is no doubt that there is no relationship between the Respondent and the Complainant and that the Respondent is not a licensee of the Complainant nor has the Respondent otherwise obtained an authorization to use Complainant’s trademark in a domain name. Despite that, the Complainant`s activity of registering various domain names including the term Arcabit and Arcavir shall be regarded as consequent and consistent marketing strategy aimed at protection of all possible internet addresses that may be associated with the Complainant`s business activity.

5.4 Article 21(1) states that fulfillment of only one of the conditions set out in points (a) and (b) is sufficient to declare that the registered domain shall be subject to revocation. Although the Panel agreed that the disputed domain names have been registered without rights or legitimate interest, the Respondent`s potential bad faith will be also examined.

6. A domain name has been registered or is being used in bad faith

6.1 The Complainant alleges that the Respondent registered the disputed domain names as referred to in article 21(3)(b)(ii) and 21(3)(e) of the Regulation. However, the first claim was not proved by the Complainant, as he did not present any evidence showing that the domain names in question have been registered in order to prevent it from reflecting those names in a corresponding domain names. Nevertheless, the Panel agrees that the registered domain names are personal names for which no demonstrable link exists between the domain name holder and the registered domain names. Both disputed names have personal character as they identify a specified units, such as the Complainant`s company and its main product: anti-virus system. Moreover, there is no doubt that there is no link whatsoever between them and their holder.

6.2 Besides, the Respondent admits that he was completely aware not only of the Complainant`s existence and activity but also his production of Arcavir. Supposedly, he could have reasonably assumed that the Complainant held also rights in other domain names; additionally, the trademarks the Complainant applied for had been already published. Taking into account the aforementioned facts, the Respondent should have expected that the Complainant enjoyed legal protection for the disputed domain names.

6.3 According to the Court of Justice of the European Union’s judgment of 3.06.2010 (file No C 569/08) article 21(3) of the Regulation must be interpreted as meaning that bad faith can be established by circumstances other than those listed in Article 21(3)(a) to (e) of that Regulation. In the present case, the consumers adequately seeking for information on Arcabit or Arcavir under the disputed domain names will find a website that is not a correct source of the products or services offered by Arcabit or the computer program Arcavir itself. The fact that currently they have been redirected to the Complainant`s website does not provide a sufficient guarantee of their interest in the future. Moreover, it gives the consumers deceptive impression that they have reached an appropriate domain for the Arcabit company or Arcavir product and that the disputed domain names´ holder is entitled to both of them. It should be remarked that the consumers may get acquainted to such view on the aforementioned domain names, thus in the future, if e.g. the Respondent indeed covered under those domain names the dispute between the Complainant and MKS, placing the first in a bad light, it would be not only misleading for consumers, who thought the disputed domain names belonged to the Complainant but also would cause him greater detriment, as impact of the information in question would be more significant. Thus, the recognition acquired by the disputed domain names for the benefit of the Respondent may be easily used against rights and interests of the Complainant. The aforementioned actions, together with the Respondent`s clearly negative attitude to the Complainant shall suggest that the disputed domain names have been registered not for their holder`s activity and business but rather to detriment the Complainant`s reputation and interests.

6.4 Registration of the domain name consisting of a mark distinctive for another entity prevents it from the adequate use of this mark for the purpose of contacting the entity`s clients or consumers and may be defined as a specific form of hindering an improvement of the entity`s position on the internet services market, which would have been expected provided that it had taken advantage of its characteristic domain name.

6.5 Lastly, the Panel would like to state that the dispute between the Complainant and MKS, raised by the Respondent, was not taken into account in the present case, as it does not have any relevant impact or significance for the disputed domain names´ registration.

In result, the Panel decided that it has been demonstrated that the Respondent has registered the disputed domain names, which are identical to the names recognized under the Polish law for the Complainant`s benefit, not only without rights and legitimate interest but also in bad faith. Moreover, as the Complainant satisfies the general eligibility criteria for registration set out in Paragraph 4(2)(b) of Regulation 733/2002, the disputed domain names shall be transferred to him. The aforementioned decision shall be implemented by the Registry within thirty working days after the notification of the decision to the Parties.

DECISION

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

the domain name ARCABIT, ARCAVIR be transferred to the Complainant

PANELISTS

Name	**Mariusz Kondrat**

DATE OF PANEL DECISION 2012-03-09

Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

I. Disputed domain name: arcabit.eu, arcavir.eu.

II. Country of the Complainant: Poland, country of the Respondent: Poland.

III. Date of registration of the domain name: 7 June 2006.

IV. Rights relied on by the Complainant (Art. 21 (1) Regulation (EC) No 874/2004) on which the Panel based its decision:
1. Trademark registered in Poland, reg. No. 183416, for the term ARCABIT, registered on 2 October 2006;
2. Trademark registered in Poland, reg. No. 183417, for the term ArcaVir, registered on 2 October 2006;
3. Company name: “Arcabit”, registered in the Polish National Court Register in 2004.

V. Domain names are identical to the protected rights of the Complainant.

VI. Response submitted: Yes, however, after the prescribed deadline therefore the Respondent was in default. Nevertheless, the Panel decided to take the Respondent`s position into account.

VII. Rights or legitimate interests of the Respondent (Art. 21 (2) Regulation (EC) No 874/2004):
1. Why the Complainant considers the Respondent to lack the rights and legitimate interests: There appears to be no separate business use by the Respondent of the disputed domain names beyond redirecting to the Complainant`s domain names. The Respondent is not commonly known by those domain names. There is no relationship between the Complainant and the Respondent and the latter was not authorized in any way to use the Complainant`s trade marks in the domain names. The Respondent does not possess any established right to the domain names.
2. Rights or legitimate interests the Respondent claims to have: The Respondent believed that the Complainant`s trade marks did not enjoy legal protection yet and he holds as many rights to the disputed domain names as the other Party. The Respondent thought that the Complainant`s company will be phased out soon, thus it will not be entitled to any legal rights.
3. Does the Panel consider the Respondent to have no rights or legitimate interests: No rights/legitimate interest.

VIII. Bad faith of the Respondent (Art. 21 (3) Regulation (EC) No 874/2004):

1. Why the Complainant considers the Respondent to have registered or use the domain name/s in bad faith: The disputed domain names have never been used, since their registration date. There is no evidence that any preparations for a legitimate commercial or non-commercial use have been made. The Respondent used the domain names only to redirect consumers to the Complainant`s domain name. The Respondent presents a clearly negative attitude to the Complainant`s activity and claims to use those domain names to cover the dispute between Complainant and MKS sp. z o.o., which was the real interest of the domains` registration.
2. How the Respondent rebuts the statements of the Complainant: The Respondent has waited with publishing the negative information about the Complainant, to the court judgment and redirected the disputed domain names to the Complainant`s domain name, with a view to avoid misleading the consumers. He claims to have used the disputed domain names honestly and for non-commercial purposes. The Respondent believed that the Complainant`s company will be phased out soon, thus he will not infringe any of its rights.
3. Does the Panel consider the Respondent to have registered or use the domain names in bad faith: Yes.

IX. Other substantial facts the Panel considers relevant: None.

X. Dispute Result: Transfer of the disputed domain names.

XI. Procedural factors the Panel considers relevant: Although the Response has been submitted after the prescribed deadline the Panel decided to take it into consideration.