

## Panel Decision for dispute CAC-ADREU-000265

Case number **CAC-ADREU-000265**

Time of filing **2006-03-13 09:37:07**

Domain names **live.eu**

### Case administrator

Name **Tereza Bartošková**

### Complainant

Organization / Name **Microsoft B.V.**

### Respondent

Organization / Name **EURid**

#### FACTUAL BACKGROUND

On 7 December 2005 Multan B.V. (the Registrant of LIVE.eu) filed an application for the registration of the domain name LIVE.eu on the grounds of the registered national trademark LI&VE. On 13 January 2006 it submitted documentary evidence of the registration document issued by the Benelux Trade Mark Office. It is Reg. 0780207 in the name of the applicant and related to the trademark LI&VE.

The Complaint, to obtain “cancellation of the acceptance by Eurid of the application of the domain name LIVE.eu, was brought pursuant to the Alternative Dispute Resolution Rules and the Supplemental ADR Rules. The Complaint was filed by e-mail with the Arbitration Center of the Czech Arbitration Court on 8 March 2006 at 18:00:33.

Pursuant to Paragraph B1 (g) (4) of the .eu Dispute Resolution Rules, the Complainant requested a Single Member Panel. After receiving the Complaint, the Center – in accordance with paragraph B2 (a) of the ADR – determined that the Complaint fully complied with the formal requirements of the ADR Rules. The Complaint was notified to the Respondent. The Respondent filed its response on 28 April 2006 at 19:24:52.

Accordingly, pursuant to the ADR Rules, the Center contacted the Undersigned requesting his service as a sole Panelist to consider and decide this dispute. The undersigned accepted, signed and sent his Statement of Acceptance and Declaration of Impartiality on 10 May 2006 at 17:51:59. On 10 May 2006 at 17:51:59 the Center appointed the undersigned and on 15 May 2006 at 15:23:05 transmitted the case file to the ADR Panel.

Therefore, this dispute concerns the domain name LIVE.eu. The language of the proceeding is English.

#### A. COMPLAINANT

The Complainant contends that: (1) the domain name was applied in bad faith and for speculative reasons; (2) there was a wrong interpretation of art. 11 of EC Reg. 874/2004.

In order to sustain the first claim, four different grounds were presented:

(i) Regarding the domain names already registered and the relevant registered trademarks, Multan (in the Complainant's view) took advantage of the fast track registration proceeding provided by the Benelux Office, but that domain name has never been used. In the list provided by the Complainant there are several trademarks in which “&” is included in order to render the trademarks applied for less offensive or descriptive. All of them were registered by the national Office and therefore filed as eu. domain names. A few examples of the registered trademarks taken from that long list provided are the following: Blow&Jobs ;

Fast & Food; Ho&Mo; P&ORN and of course LI&VE.

(ii) Regarding the applicant's status, Multan is an Internet Provider and also a Registrar. It is against its duties to file and store eu. domain names.

(iii) Regarding the manner and timing of its domain registrations, Multan violated the Sunrise period. In the Complainant's words "According to the 16th Recital to Reg.733/2002, the Sunrise period should warrant that speculative and abusive registration of .eu names is prevented". Art. 3 (c) of reg.874/2004 "requires that the request for domain name registration is made in good faith and does not infringe any rights of third parties".

(iv) Wrong application of the conversion requirement of art. 11 of reg.874/2004. Multan should have considered different alternatives for transposing the trademark into a .eu domain name. The trademark LI&VE "should thus not be read and appreciated as the word LIVE".

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## B. RESPONDENT

The Respondent (Eurid) argued that on the basis of art. 12.3 of Reg. 874/2004 the requests to register a domain name based on a prior right shall include a reference to the legal basis in national or Community law for the right to the name.

Under art. 13.1 and 13.2 of the .eu Registration Policy and the Terms and Conditions it is sufficient to submit as documentary evidence a copy of an official document issued by the competent office indicating that the trademark is registered.

According to art. 22.1 (b) of reg.874/2004 and Section 26.2 of the Sunrise rules the sole object and purpose of an ADR proceeding against the Registry is to verify whether the relevant decision by the Registry conflicts with the regulations. Under art. 14 of the same Regulation "under the phased registration the Registry shall register the domain name on a 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 of the same article".

The respondent stated that no verification can take place by the registry of the validity of registration applications subsequent to the registration for applications filed in the course of phased registration. Therefore, the Registry cannot reject the application on the grounds of bad faith or speculative intentions.

As regards art. 11 of the regulations, the Respondent states that this provision does not require the applicant to convert the trademark according to how it is read or appreciated, nor does it allow the Registry to reject the application on these grounds. The investigation by the validation agent is limited to the verification of whether the special characters, spaces or punctuations are entirely eliminated, replaced with hyphens or, if possible, rewritten. The word "or" in the regulation allows the alternative to rewrite special characters, spaces or punctuations, if possible, but does not insist on this.

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## DISCUSSION AND FINDINGS

### Good Faith as a general principle

Good faith is one of the general principles of the European System and of every European jurisdiction. On the other hand, bad faith is one of the bars to valid registration both in trade mark laws as well as in domain name laws and arbitration regulations. Arbitration is one of the ways that systems deal with cyber squatting in order to have fast and reasonably inexpensive proceedings against these unfair practices.

As regards the .eu registration system, "sunrise periods" were introduced in order to give legitimate owners of trademarks periods in which to apply for domain names corresponding to registered trademarks or trademarks in which they have prior rights. This is to ensure that legitimate trademark owners do not get preceded by unscrupulous third parties that may easily register domain names identical to those marks by taking advantage of the "first come, first served" principle.

Therefore, interpretation of the domain name regulations and rules have to be in line with the good faith principle.

### Bad faith as grounds for the proceeding

However, in the present case, bad faith is not a valid reason to revoke the domain at issue because these are not grounds that the validation agent should have assessed in the sunrise period. Therefore, it is not possible to apply those rules now. As stated in the ADR Center's decision in case No. 00035 of 12 May 2006 "the Public Policy Rules contain specific obligations of the registry with respect to the breach of the terms of registration in art. 20. Art. 20 provides that the registry may revoke domain names without submitting the dispute to the ADR on various grounds, including the holder's breach of the terms of registration under art. 3. Art. 20 also specifies that the registry shall lay down a procedure in accordance with which it will decide about the revocation of domain names on these grounds which "shall include a notice to the domain name holder and shall afford him an opportunity to take appropriate measures". This requirement is evidently intended to ensure a minimum procedural protection of the domain name holder's right to defense. Therefore, in this case, we are outside this specific instance.

Having said this, it must be said that the validation agent had the duty and task to check the identity element between a registered trademark and the requested domain name.

#### The Identity principle

In order to examine whether or not the Registry acted contrary to its duties it is necessary to take into consideration two provisions (or parts of them) relating to the sunrise period:

Art. 19.2 of the .eu registration Policy, published in accordance with art. 21.1 of the Public Policy Rules, reads as follows: "a prior right .... Will only be accepted if (i) the sign exclusively contains a name or (ii) the word element is predominant... provided (a) omissis (b) the general impression of the word is apparent without any reasonable possibility of misreading the characters of which the sign consists or the order in which those characters appear".

Art. 11, par. 1, of Reg. 874/2004 reads as follows: "as far as the registration of complete names is concerned, where such names comprise a space between the textual or word elements, identity shall be deemed to exist between such complete names and the same names written with a hyphen between the word elements or combined in one word in the domain applied for.

And art. 11, par. 2, of Reg.874/2004 reads "where the name for which prior rights are claimed contains special characters, spaces or punctuations, these shall be eliminated entirely from the corresponding domain name, replaced with hyphens or, if possible, rewritten.

& is one of those characters.

From the above-mentioned laws it seems very clear that there must be "identity" between trademarks and the requested domain names. The said provisions are guidelines to follow in order to achieve that aim: identity between prior rights and domain name.

It appears that Multan thought they could obtain any kind of trademark from the Benelux Trademark Office, under the fast-track route provided that the trademark has the & in the middle. In fact, they managed to get BLOW & Jobs and thus to register the domain name blowjobs.eu or other descriptive words such as SEX&MOVIES to get SEXMOVIES.eu; Fast&Food to obtain a domain name Fastfood.eu. And they of course filed LI&VE to get LIVE.eu.

It seems to me that the identity feature was not met. Art. 11 of Reg. 874/2004 offers – perhaps in a paritarian way – three solutions that have to be interpreted in line with all the other rules and principles.

Art. 11 offers a choice of three solutions in order to convert a trademark which has special characters or punctuations as indicated in the same provision. & is one of those. In these instances, the special characters or punctuations have to be (i) eliminated entirely from the corresponding domain name, (ii) replaced with hyphens, or, if possible, (iii) rewritten.

The best decision has to be taken in order to maintain the identity rule between trademark and domain name, taking into consideration that, if possible, the domain should be rewritten in order to meet the identity rule.

What does identity mean? In any dictionary one can find that identity means: "The quality or condition of being exactly the same; identicalness, oneness, sameness, selfsameness. Therefore, the "exact sameness of the things compared" needs to be stressed.

It seems to me that only a strict interpretation is consistent with the legal rationale of the sunrise provisions. The issue of identity was very clearly explained by the Advocate General, Mr. Jacobs, in his Opinion of 17 January 2002 in the European Court of Justice Case: C-291/00 between S.A S.A. Société LTJ Diffusion vs. SA SADAS. In relation to art. 4 (1) and 581) (a), he declared that "in principle, any difference, whether it might be viewed as adding, removing or modifying any element, must involve loss of identity. And further "yet there may be slight differences between trade marks so that the two are not rigorously identical, but nonetheless remain difficult to distinguish from one another".

Therefore, I believe that in this case, too, the concept of identity has to be construed strictly, but, at the same time, it should not take into account minimal or insignificant changes which are not noticeable.

In practical terms, if a trademark is composed of two names with autonomous meanings and recognition by an average person of their individuality, then keeping or eliminating the "&" character does not alter the identity rule. Procter & Gamble or ProcterGamble.eu are recognised as the same, on the contrary LI&VE and LIVE.eu are different enough to be considered not identical.

The comparison criteria have to be the same in the trademark and in the domain name area. They are established very clearly by the European Court of Justice in the SABEL case (Case C-251/95 SABEL [1997] ECR I-6191, paragraphs 22 and 23 of the judgment) as well as in the Lloyd case (Case C-342/97 Lloyd Schuhfabrik Meyer [1999] ECR I-3819, paragraphs 18, 25 and 26 of the judgment).

If we apply the three comparison criteria (visual, aural and conceptual comparison) this could be even clearer. From a conceptual point of view LI & VE and LIVE are not identical and the same can be said from a visual and aural viewpoints.

As regards the identity principle between trademarks or prior rights and the .eu domain name, Multan did not choose the right domain name. In fact, they did not register LI-VE.eu or LIANDVE; LIENVE; LIUNDVE; LIETVE; LIEVE.eu – most of them still available. Nobody could play with the rules and obtain something substantially different from what they got from the Trademark Office.

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#### DECISION

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

the EURID's decision be annulled

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## PANELISTS

Name	<b>Massimo Cimoli</b>
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DATE OF PANEL DECISION 2006-05-29

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## Summary

ENGLISH SUMMARY OF THIS DECISION IS HEREBY ATTACHED AS ANNEX 1

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The ADR proceeding is related to a Complaint challenging the registry's decision to register LIVE.eu as a domain name on the basis of trademark registration for LI&VE.

The Complaint was based on the following grounds

- 1) bad faith
- 2) wrong application of the conversion requirement of art.11 of reg.874/200

With respect to bad faith, a validation agent or the registry are not obliged to make such an assessment. Any such examination should be carried out in accordance with the specific procedure provided under art. 20, which was not invoked in this case. Art.11 of reg.875/2004 has to be interpreted in the light of the identity principle. If a trademark is composed of two names with autonomous meanings and recognition by an average person of their individuality, then keeping or eliminating the "&" character does not alter the identity rule, on the contrary when the two textual elements puts together produce a totally different name than this union is contrary to the indenticality principle. LI&VE and LIVE.eu are different enough to be considered not identical.

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