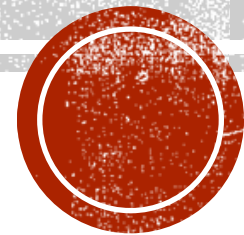


ELEMENTS OF UNFAIR COMPETITION AND PERSONAL RIGHTS, COMPARISON OF UDRP AND CZECH RULES

Pavel Loutocký

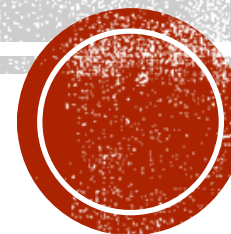


PLAN?

- UDRP – some aspects
- .cz domain – more in detail
- .eu domain – chosen aspects
- Comparison of rules and the differences



IN GENERAL



PERSONAL RIGHTS – UDRP

- 1.5.1 Personal names that have been registered as trademarks would provide standing for a complainant to file a UDRP case.
- 1.5.2 The UDRP does not explicitly provide standing for personal names which are not registered or otherwise protected as trademarks. In situations however where a personal name is being used as a trademark-like identifier in trade or commerce, the complainant may be able to establish unregistered or common law rights in that name for purposes of standing to file a UDRP case where the name in question is used in commerce as a distinctive identifier of the complainant's goods or services.
- Merely having a famous name (such as a businessperson or cultural leader who has not demonstrated use of their personal name in a trademark/source-identifying sense), or making broad unsupported assertions regarding the use of such name in trade or commerce, would not likely demonstrate unregistered or common law rights for purposes of standing to file a UDRP complaint.



COMPANY NAME - UDRP

- [Elan, LLC v. Al Perkins](#), FA1705001731999 (Forum June 26, 2017) ("Elan Studio" and <elanstudionola.com>), or using the first part of its company name
- [Caldsoft Way3D Sistemas Eireli EPP v. Jinsoo Yoon](#), D2016-2514 (WIPO January 23, 2017) (<caldsoft.com>), or visually distinctive spellings of words
- [Nu Mark LLC v. Bui, Long](#), D2013-1785 (WIPO December 22, 2013) ("Nu Mark" and <numarkcigs.com>).
- NuMark: "*Complainant's trade name . . . had become a distinctive identifier associated with its business and products on its website and thus demonstrated complainant's unregistered trademark rights.*"
- It is however always better to have trademark (then it is clear)

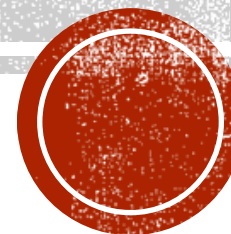


UNFAIR COMPETITION - UDRP

- UDRP not dealing with such a term (it is always hidden under 3 elements but not expressly mentioned)
- UDRP is saying it is subject of national law
 - *„Also noting the availability of trademark-like protection under certain national legal doctrines (e.g., unfair competition or passing-off) and considerations of parity, where acquired distinctiveness/secondary meaning is demonstrated in a particular UDRP case, unregistered rights have been found to support standing to proceed with a UDRP case including where the complainant is based in a civil law jurisdiction. “ (WIPO guide 3.0)*



.CZ DOMAIN



REGISTRY/ADMIN

- CZ.NIC, z. s. p. o.,
- operation of the domain name registry for the .CZ domain
- member of the EURid association



NUMBER OF DOMAINS

	Domains in total	Domains in zone	In protection period
1999	48,136	47,295	0
2000	83,304	80,704	0
2001	126,293	117,383	0
2002	171,100	128,546	0
2003	156,676	153,518	0
2004	186,469	183,862	0
2005	226,074	223,427	0
2006	282,057	278,348	0
2007	370,480	366,544	5,169
2008	501,422	496,655	8,067
2009	629,327	623,642	12,946
2010	748,801	741,273	15,350
2011	880,708	865,687	25,060
2012	1,010,325	992,370	30,506
2013	1,044,518	1,023,099	41,342



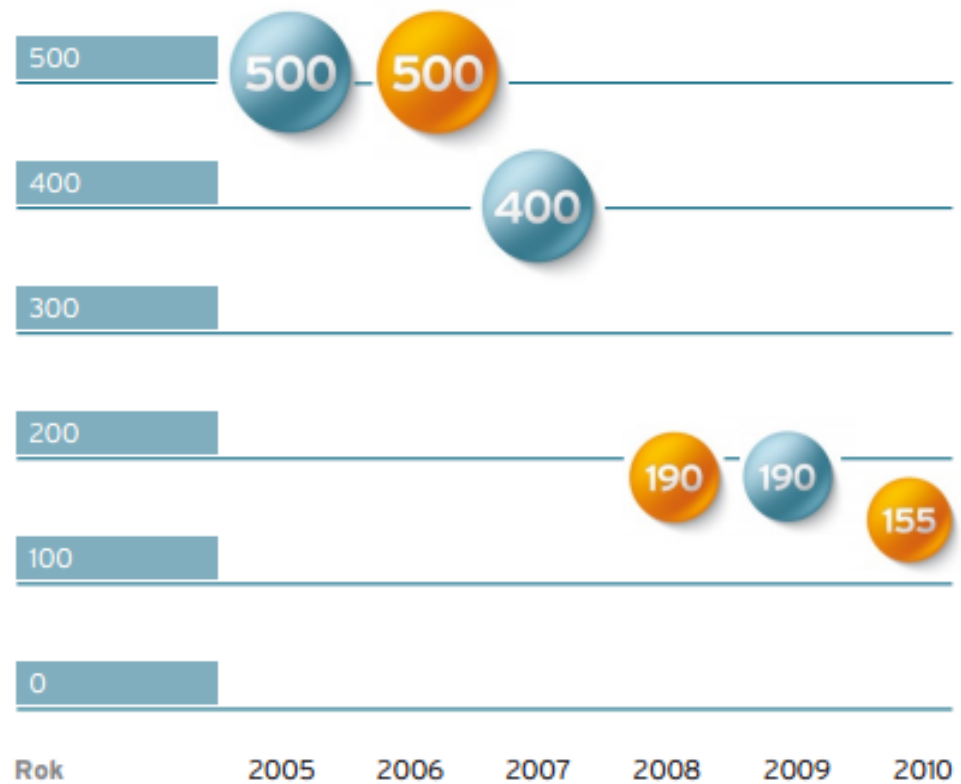
CHANGES IN DOMAINS

Year	Cancelled registration	Entered protection period	Registration	Revoked (did not pass tech. check)	Revoked (maintenance fee not paid)	Revoked (registration fee not paid)	Revoked by CZ.NIC	Revoked by owner
1999	0	0	10,010	451	0	303	0	70
2000	0	0	69,453	7,686	11,775	13,095	35	1,694
2001	0	0	141,850	47,236	9,135	42,274	98	119
2002	0	0	292,262	14,207	11,899	221,127	68	154
2003	25	28,507	399,723	0	14,024	400,106	28	173
2004	84	71,228	48,042	0	18,104	0	0	61
2005	95	57,857	57,464	0	17,843	0	0	63
2006	75	70,437	78,390	0	22,276	0	0	56
2007	43	82,358	115,719	0	27,198	0	2	35
2008	0	106,236	166,393	0	35,298	0	0	0
2009	0	153,167	190,681	0	62,260	0	0	0
2010	0	205,144	209,884	0	88,928	0	0	0
2011	0	241,549	233,879	0	100,006	0	0	0
2012	0	273,736	251,778	0	119,878	0	0	0
2013	0	97,295	74,409	0	39,544	0	0	0



Vývoj ceny za registraci domény v období 2005 - 2010 zachycuje následující graf

Cena (Kč)

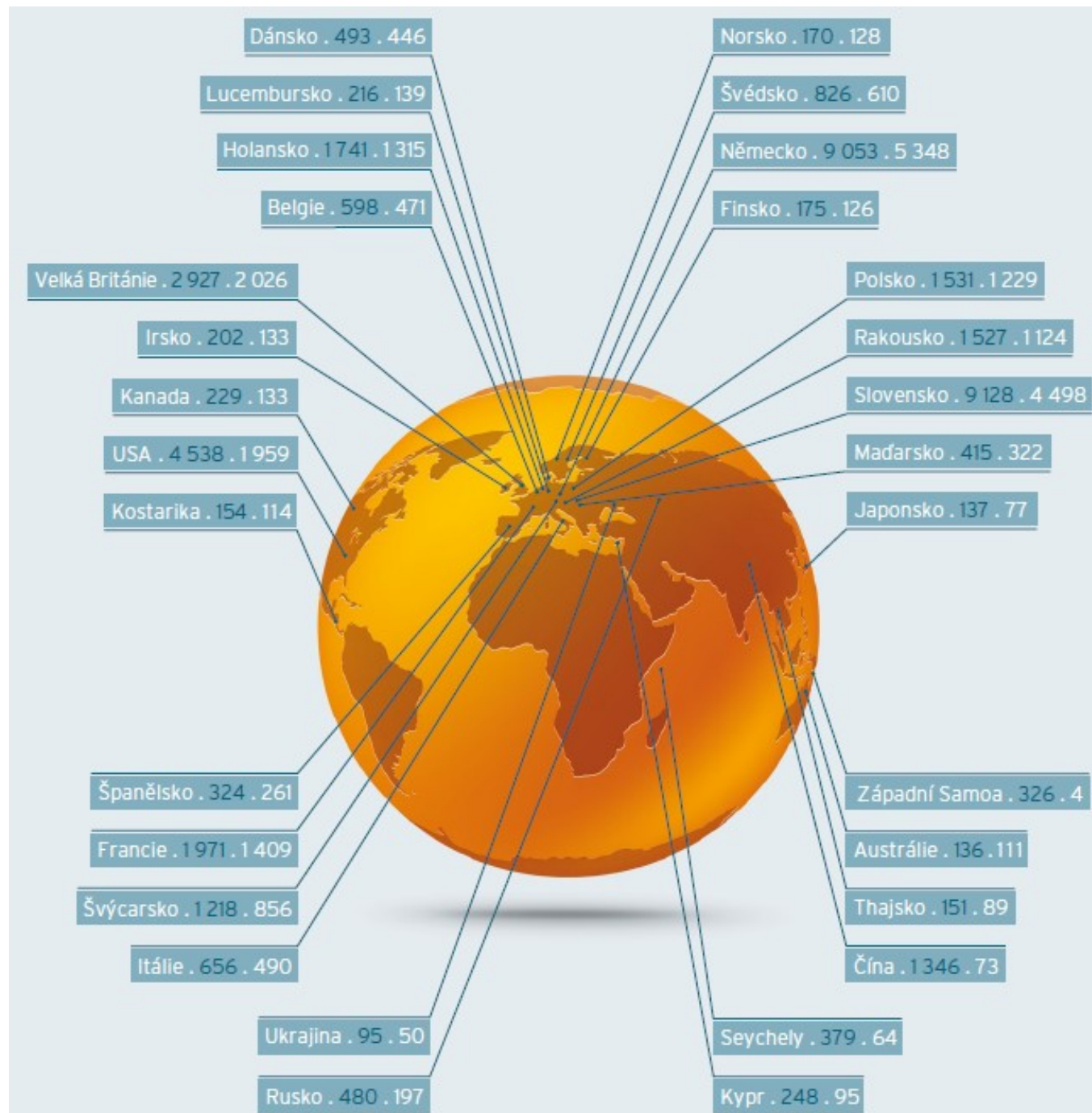


GEOGRAPHIC INDICATION

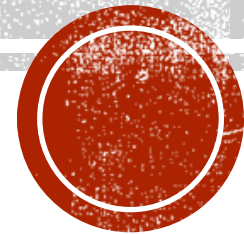
- Žádná

Země	Počet domén	Držitelé
Slovensko	9 128	4 498
Německo	9 053	5 348
USA	4 538	1 959
Velká Británie	2 927	2 026
Francie	1 971	1 409
Holansko	1 741	1 315
Polsko	1 531	1 229
Rakousko	1 527	1 124
Čína	1 346	73
Švýcarsko	1 218	856
Švédsko	826	610
Itálie	656	490
Belgie	598	471
Dánsko	493	446
Rusko	480	197
Maďarsko	415	322
Seychely	379	64
Západní Samoa	326	4





RULES OF REGISTRATION



REGISTRATION

- Domain Names are registered through a Registrar
- Registered for 1-10 years
- applicant has to agree with
 - Rules of Registration
 - Rules of Alternative Dispute Resolution;
- Renewal on request



RULES FOR A DOMAIN NAME

- Only characters [a-z,0-9,-];
- The maximum Domain Name Length is 63 characters;
- must not begin or end with “-” character;
- must not contain two characters “-” in sequence.



TERMINOLOGY

- By registering the Domain Name, the Applicant will become the **Holder** and the Domain Name will be reserved for them for the specified period of time.



PRICE

- The price of the services provided by the Registrar to the Holder, including the price for the registration of the Domain Name or other services, is set by an agreement between the Registrar and the Holder.



RENEWAL

- 5.1. Domain Name registration may be renewed through the Appointed Registrar.
- 5.2. Domain Name registration may be renewed for whole years, also repeatedly, but for no more than 10 years.
- request for registration renewal at the latest on the Day of Expiration
- Holder agreed with the current version of the Rules of Registration
- CZ.NIC Association receives the respective price at the same time.



TRANSFERS

- upon request submitted through the Registrar
- The Registrar is obliged to acquire the consent of the future Holder to the current version of the Rules of Registration and the Rules of Alternative Dispute Resolution
- The transfer of the Domain Name does not affect the latter's Day of Expiration



TERMINATION

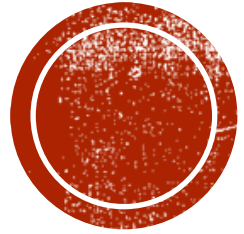
- Upon request (cancellation)
- Expiration
 - Protection period „60 days“
- the information is untrue, incomplete or misleading
- endangers the national or international computer security
- Violation of rules



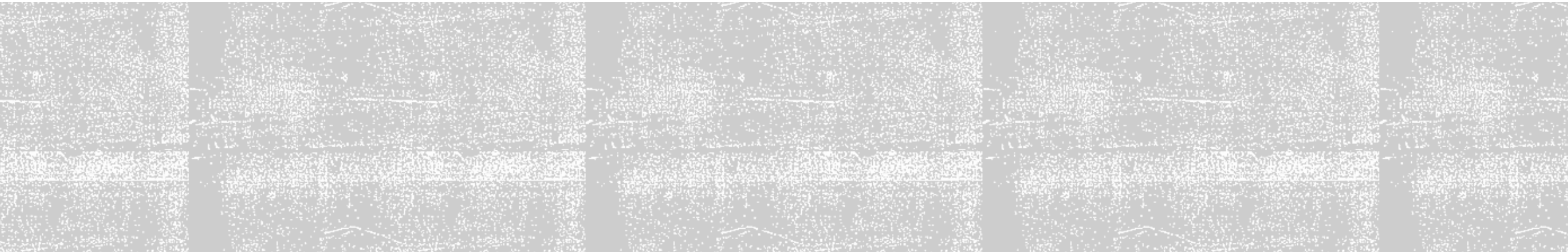
RIGHTS AND DUTIES OF CZ.NIC

- perform the Domain Name registration and maintain such a registration in compliance with defined conditions
- keep record of a registered Domain Name in the Central Register
- keep a record of the delegated Domain Name in the CZ zone; and
- make every effort that may be reasonably required to ensure a fault-free and smooth operation of the Central Register and the primary name server





LEGAL SOLUTION IN CZECHIA



THREE ALTERNATIVES

- Trademark dispute
 - The trademark owner has the exclusive right to use the trademark in connection with the goods or services for which it is protected.
 - The owner of the registered trademark shall prove his right by an extract from the register or by a certificate of registration. The trademark owner may use the trademark together with the trademark
- Unfair competition
 - Whoever gets into competition in contravention of the morality of competition by acting to cause harm to other competitors or customers will commit unfair competition.
- Personal rights (company name)
 - A person whose personality has been affected has the right to request that the unauthorized intervention shall be abandoned or its consequence removed.
 - The protection of business name rights belongs to the person who used it for the first time. Whoever has been affected in his / her right to a business name has the same rights as in the protection against unfair competition.



REMEDIES TRADEMARK

Information right

Abstain from activity:

- a) withdrawing products from the market,
- b) the permanent disposal or destruction or
- c) the removal or destruction of materials, tools and equipment intended or used exclusively or principally in infringing activities.

damages,

unjust enrichment received by the infringer as a result of a threat or violation of the law,

reasonable satisfaction, if non-material damage was caused by interference with the rights.

- Could be also in money.



REMEDIES UNFAIR COMPETITION

- A person whose law has been compromised or violated by unfair competition may require the infringer to refrain from unfair competition or to remove the defective condition.
- Furthermore, the person may require:
 - adequate satisfaction,
 - damages a
 - unjust enrichment.

+ PERSONAL RIGHTS
(COMPANY NAME)



IMPORTANT CASE 23 CDO 3407/2010 - GLOBTOUR

- Courts incorrectly confuse declaratory decisions with constitutive decisions (decisions to change domain holders).
- Constitutive decisions are an exception and can only be issued when the law of a court expressly grants the right to establish a legal relationship (rights and obligations) between the parties.
- If, in the present case, the court had to determine who should be entitled to the domain (whether the plaintiff or the first defendant), the plaintiff would have to bring a court of law claim in accordance with Section 80 (a). c) o., under which an action may be brought in order, in particular, to determine whether or not a legal relationship or right is there, where there is an urgent legal interest.
- What it means? Passive or active legitimation of CZ.NIC
- CZ.NIC nowadays follows the ruling of the court on the basis of its rules.



MAIN DIFERENCE

ADR

- Transfer
- Nothing else

Court

- Everything (Money, Information, Satisfaction)
- But not the transfer (however the authority cooperates)



DISPUTE RESOLUTION



OBLIGATION

- The Holder is obliged to make every effort that may reasonably be required from him to achieve an amicable settlement of disputes concerning Domain Names and/or their registrations that might arise between the Holder and other persons. If the litigants do not settle the dispute in an amicable way, they are free to settle their dispute within the scope of valid legal regulations, i.e. through arbitration, municipal courts or dispute resolution under the Rules of Alternative Dispute Resolution.



HOW WILL CZ.NIC BEHAVE?

- The CZ.NIC Association will cancel the delegation and/or the registration of a Domain Name, transfer the Domain Name to a different person and suspend the option to transfer the Domain Name to another person if this is stipulated in an executable decision, even if CZ.NIC itself has not been a party to the proceedings in which such a decision was made.



HOW WILL CZ NIC BEHAVE?

- If the decision pursuant to Article 19 stipulates the obligation to cancel the registration of the Domain Name but not the duty to transfer the Domain Name, the CZ.NIC Association will not, for the period of 1 month, permit a repeated registration of the same Domain Name by a person other than the person who requested the cancellation of registration for Holder



THE CHANGE

- **23 Cdo 3407/2010 (Globtour)**
- **23 Cdo 3895/2011 (Suzuki)**
 - It was arbitration in the past
 - After that decision it is contractually binding out-of-court dispute resolution



BETWEEN HOLDER AND CZ.NIC

Before

- The CZ.NIC association **shall accept the jurisdiction of the arbitration court provided that the arbitration will be conducted in HK AK CR**
- Other disputes between the Holder and the CZ.NIC association are subject to the jurisdiction of general courts of the Czech Republic.

Now

The Holder is obliged to submit to the dispute resolution under the Rules of Alternative Dispute Resolution in relation to all domain names of the Holder listed in the electronic database of the domain names in the .cz ccTLD administered by the CZ.NIC Association, subject to the conditions specified in the Rules of Alternative Dispute Resolution.



DISPUTES BETWEEN HOLDER AND THIRD PARTIES

- The Holder is irrevocably and publicly subject to the authority of the Arbitration Court attached to the Economic Chamber of the Czech Republic and the Agriculture Chamber of the Czech Republic



- The proceedings are initiated by filing a complaint in accordance with the .CZ Rules. The proceedings are conducted in electronic form described in the .CZ Rules using the on-line platform available at domeny.soud.cz; the arbitration proceedings shall be held in Prague, Czech Republic.



ARBITRATION

- Rules of Alternative Dispute Resolution - until 30. March 2015 (arbitration)
- RULES OF ALTERNATIVE DISPUTE RESOLUTION 1. april 2015
- **However if the parties individually agree, they can still use the arbitration**



ARBITRATORS (TRIBUNAL) - FORMER

- The disputes shall be decided by the sole Arbitrator appointed by the President of the Arbitration Court
- Dispute may be decided by **three** Arbitrators if the Parties agree thereon and if the Party making such proposal pays the increased fee
- no personal or economic interests in the the dispute
- the Parties can also challenge the appointment of an Arbitrator



POWERS OF TRIBUNAL (FORMER)

- The Arbitral Tribunal is not obliged, but is permitted, to conduct its own investigations
- The Arbitral Tribunal shall ensure that the Proceeding **takes place with due expedition**
- There shall be no in-person hearings
 - (unless exceptional circumstances)



EXPENSES (FORMER)

- In addition to expenses connected with the payment of fees for the arbitration proceeding, parties in the dispute may also incur legal fees and other possible expenses resulting from participating in the arbitration proceeding.
- **The winning party could be awarded compensation of these expenses,** and the losing party could be ordered to pay this compensation to the winning party.



CHANGE !

Instead of „Arbitration clause“ we have „alternative resolution clause“

Instead of „arbitrator“ we have „expert“

Instead of „finding“ we have „Experts professional decision“.

Instead of legal rules, the decision arises from the Rules

The decision is not enforceable by national authorities

The costs are covered by each party



The Holder agrees to submit to the dispute resolution if the petitioner lodges complaint that:

A) Domain Name is identical with or confusingly similar to a Protected Designation

- B1) such Domain Name has been registered or acquired without the Holder holding the right to the Domain Name
- B2) Domain Name has been registered, acquired or is being used other than in good faith



Holder can keep the domain if

- the Holder holds the right to the Protected Designation which is identical with the Domain Name,
- the Holder used the Domain Name before being notified of the initiation of the dispute, for fair dealing in connection with the offering of goods or services, or demonstrably made arrangements for such use,
- the Holder is generally known under the Domain Name, even in the event that the Holder does not enjoy the right to the Protected Designation,
- the Holder uses the Domain Name for fair dealing without intending to mislead third parties or to harm the reputation of the Petitioner or its Protected Designation



Bad faith

- the Domain Name was registered or acquired in order to prevent the Petitioner from using such Protected Designation :
 - (i) the Holder engaged in such wrongdoing repeatedly; or
 - (ii) the Domain Name was not properly used for at least two years from the date of its registration,
- the Domain Name was registered or acquired primarily with the intention to disrupt the economic activities of the Petitioner,
- The Domain Name was intentionally used to direct Internet users to a website or some other online resource for the purpose of achieving profits, by creating a likelihood of confusion with the Protected Designation belonging to the Petitioner



.EU DOMAIN

- Established „by law“
 - 733/2002/EC (4 other Regulations)
- To accelerate e-commerce
- Promote common market
- Accelerate benefits of information society



STRUCTURE OF THE .EU DOMAIN

REGISTRY (authority)

REGISTRARS

USERS



REGISTRY (AUTHORITY)

- Administers the .eu domain
- EURid
 - Non profit company
 - Established under Belgian law



Register your .eu domain today!

www.ambitionhasanaddress.eu

EURid
www.eurid.eu

.eu
Your European Identity



REGISTRARS

- Independent entities
- Have to be accredited by the registry
- Currently more than 700 accredited registrars
- <https://eurid.eu/en/find-a-registrar/>



USERS - ELIGIBILITY CRITERIA (ART 3)

Any person, company or organisation based in the European Union, Iceland, Norway or Liechtenstein can register a domain name under .eu or .eю (Cyrillic script).



POLICY RULES (874/2004)

- Requirements for domain name applications
- Requirements for registrars
- Requirements for registrar accreditation
- Languages
- Registration procedures



LANGUAGE

- For any communication by the Registry that affects the rights of a party in conjunction with a registration, such as the grant, transfer, cancellation or revocation of a domain, the Registry shall ensure that these communications are possible in all official languages.



PROTECTION OF RIGHTS

1. “sunrise periods”

2. Alternative dispute resolution



SUNRISE PERIODS

- 1st period
 - only registered national and Community trademarks, geographical indications, public authorities
 - 2nd period
 - names that can be registered in the first part as well as names based on all other prior rights
 - 3rd period – all other users
-
- From 7 December 2005 (1st), but the first four months are reserved for holders of trademarks, public bodies or holders of other “prior rights” (2nd).
 - Registration for “everybody” begins on 7 April 2006. (3rd)



ALTERNATIVE DISPUTE RESOLUTION



2 POSSIBLE ADR PROCEDURES

Rightholder
vs. domain
name holder

Domain name
applicant vs.
registry



RIGHTHOLDER VS. USER

- Compulsory for the holder of a domain name and the Registry.
 - Not for the Rightholder
- Question of “speculative or abusive registration”



SPECULATIVE OR ABUSIVE REGISTRATION IS

When a domain name
(identical, confusingly
similar)

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.



LEGITIMATE INTEREST

- (a) the holder has used the name for the offering of goods or services
- (b) the holder has been commonly known by the name,
 - even in the absence of a right recognised by law
- (c) the holder 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.



BAD FAITH

- (a) registered primarily for the purpose of selling, renting, or transferring to the holder of a protected name
- (b) prevent the holder from reflecting this name in a corresponding domain name,
 - provided that:
 - (i) a pattern of such conduct by the registrant can be demonstrated;
 - (ii) the domain name has not been used in a relevant way for at least two years
- (c) primarily for the purpose of disrupting the professional activities of a competitor; or
- (d) intentionally used to attract Internet users, for commercial gain, by creating a likelihood of confusion
- (e) the domain name registered is a personal name for which no demonstrable link exists



COMPARISON ADR AND UDRP

UDRP

1. Confusing similarity
2. No legitimate interest
3. Bad faith

ADR

- 1. Confusing Similarity
- 2 No legitimate interest

- or

- 1 Confusing Similarity
- 2 Bad Faith



LANGUAGE

- Language of the proceedings is the language of the agreement between the registrar and the user

