

BELGIAN CENTRE FOR ARBITRATION AND MEDIATION

DECISION OF THE THIRD-PARTY DECIDERS

LUIGI LAVAZZA SPA / SERVICE PLUS IMPORT-EXPORT BVBA

Case no. 44427: lavazza.be, lavazzablue.be, lavazzacapsules.be, lavazzacoffee.be,
lavazzaconcept.be, lavazzashop.be, shoplavazza.be – APPEAL

1. The parties

1.1. Complainant: Luigi Lavazza S.p.A.

with registered office at 10154, Torino, Italy, Corso Novara 59
E-mail: info@studiobarbero.com
hereinafter referred to as "the Complainant"

Represented by

Mr. Luca Barbero, Managing Director
with office STUDIO BARBERO S.p.A. at 10126, Torino, Italy,
Corso Massimo d'Azeglio, 57
E-mail: info@studiobarbero.com

1.2. Respondent: Service Plus Import-Export BVBA

with registered office at 2550, Kontich, Belgium, Koningin
Astridlaan, 58
E-mail: info@lavazza.be; Danielle.braff@lavazza.be.
hereinafter referred to as "the Respondent"

Represented by:

Mr. Olivier Van Fraeyenhoven, Attorney at law,
with office at 2600, Berchem, Roderveldlaan, 3
E-mail: ovf@astrealaw.be

2. Domain Names

- lavazza.be, registered on 13 December 2000;
- lavazzablue.be, registered on 28 December 2004;
- lavazzacapsules.be, registered on 4 November 2009;
- lavazzacoffee.be, registered on 3 April 2007;
- lavazzaconcept.be, registered on 2 April 2010;
- lavazzashop.be, registered on 8 May 2013;
- shoplavazza.be, registered on 21 January 2014;

hereafter referred to as "the Domain Names".

CEPANI – NON-PROFIT ASSOCIATION

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E-mail: Cepani@vbo-feb.be ● Website: <http://www.cepani.be>
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3. Background to the case

1. The Complainant filed three complaints with CEPANI under article 10 of the general terms and conditions of the domain name registration within the “.be” domain governed by DNS Belgium (*hereafter referred to as “the DNS Policy”*) and in accordance with the CEPANI Rules for domain name dispute resolution (*hereafter referred to as “the CEPANI rules”*):

On 31 May 2017, the Complainant filed a complaint in English with regard to:
- lavazza.be, registered on 13 December 2000.

On 31 May 2017, the Complainant filed a complaint in Dutch with regard to:
- lavazzacapsules.be, registered on 4 November 2009;
- lavazzacoffee.be, registered on 3 April 2007;
- lavazzaconcept.be, registered on 2 April 2010;
- lavazzashop.be, registered on 8 May 2013;
- shoplavazza.be, registered on 21 January 2014.

On 31 May 2017, the Complainant filed a complaint in French with regard to:
- lavazzablue.be, registered on 28 December 2004.

The Parties agreed to merge the three complaints and to conduct the proceedings in English.

On 10 July 2017, the Respondent filed its response.

On 12 July 2017, CEPANI appointed Mr. Tom Heremans to act as third party decider pursuant to the CEPANI Rules.

On 14 July 2017, the Complainant requested to be allowed to reply to the Response of the Domain Name Holder, because this Response contains - according to the Complainant - incorrect representations.

On 19 July 2017, the third-party decider granted additional terms for final written arguments for both parties.

On 28 July 2017, the Complainant filed its Retort to the Response.

On 11 August 2017, the Respondent filed its Final Response.

On 18 August 2017, the debates were closed.

2. In his decision of 1 September 2017, the first Third-Party Decider declared the complaints unfounded and denied the request for the registration of the Domain Names to be transferred to the Complainant.

The first Third-Party Decider's decision is mainly based on the following considerations:

“25. In the present case, the Respondent is a distributor who uses the Domain Names to offer LAVAZZA products. The only issue is whether the Respondent's offerings can be characterized as “bona fide”. According to the international case law developed under the Uniform Dispute Resolution Policy for “.com” and other domains, to be “bona fide”, the offering by a distributor under a domain name consisting of the trademark of the distributed products must at the minimum meet the following requirements:

- The Respondent must actually be offering the goods or services at issue.

- The Respondent must use the site to sell only the trademarked goods;
- The site must accurately disclose the registrant's relationship with the trademark owner, it may not, e.g., falsely suggest that it is the trademark owner or that the website is the official site, if, in fact, it is only one of many sales agents;
- The Respondent must not try to corner the market in all domain names, thus depriving the trademark owner of reflecting its own mark in a domain name.

When examining the criteria of the OKI DATA case, the Third-party decider comes to the conclusion that these criteria are met and there is no clear evidence of a lack of rights and legitimate interests."

26. It is not disputed that the Respondent is a reseller of the LAVAZZA products. While it is true that the Complainant has not authorized the Respondent to register or use its trademarks as a domain name and that the agreement concluded by the Respondent with the Complainant's distributor DES in 1992 expressly stated that no rights to the trademarks and distinctive signs of the Complainant were granted to the distributor, it cannot be denied that the Respondent has been using the Domain Names for many years, to sell the LAVAZZA products on the Belgian market. The name "lavazza.be" has been registered since 13 December 2000, which is almost 17 years ago. The Complainant may not have liked it, but it never initiated legal proceedings, neither before the courts, nor before CEPANI, against this and the other Domain Names, while continuing to do business with the Respondent during many years. The Respondent contends that the Complainant was always aware of the fact that the Domain Names were registered and even made a link to them on its website.

This is not accurate because the "link on the website" is actually the e-mail address provided by the Respondent, being info@lavazza.be. Nevertheless, the Complainant allowed this use of "Lavazza.be" in the e-mail address on its own website, which is not compatible with the allegation that the Respondent has no rights or legitimate interests in the disputed Domain Names.

27. Except for the domain name "lavazzacoffee.be", which does not lead to a website, the disputed Domain Names are all pointing to a website where only LAVAZZA products are being offered for sale.

28. On those websites, the Complainant's trademarks are used, but the Respondent mentions its capacity: it is an exclusive importer of LAVAZZA ESPRESSO POINT and an importer of LAVAZZA BLUE products. The Respondent does not create the false impression that the websites are operated by the trademark owner or that they are the official websites of the trademark owner.

29. Finally, the OKI DATA standard requires that the domain name owner does not corner the market. There is room for discussion here because the Respondent did not only register a single domain name to sell LAVAZZA products, but at least seven names which are covered by the current proceedings. Moreover, the Respondent has also registered other domain names in various Top-Level domains, including "lavazzablue.nl", "lavazzaconcept.com", "lavazzacapsule.com", "lavazzacapsules.nl" and "lavazza-espresso-point.be". This criterion is not favourable for the Respondent but in the opinion of the Third-party decider it does not have enough weight to come to the conclusion that the Respondent does not have any right or legitimate interest in the Domain Names. It has become more and more common that undertakings register multiple

domain names and the registration of seven domain names is as such not exceptional.

30. Given that the Respondent has been using the Domain Names for many years, and one domain name for almost 17 years, the third party decider comes to the conclusion that the Respondent has at least some legitimate interest. As set out before, it is clear that both parties are involved in a serious dispute and that their long standing relationship will soon be over as the distribution agreement has been terminated with effect on 1 January 2018. It may well be that the Respondent will not be able to keep the "Lavazza.be" domain name and the other domain names, but at this point in time it seems to be unreasonable to use the CEPANI proceedings to claim the transfer the Domain Names before the distribution relationship has effectively come to an end.

As was already decided in the CEPANI case no. 44054, *gallup-europe.be*, it should be stressed that within the limited framework of the Rules and the Policy, **it is not the task of the third-party decider to settle a complex dispute of which the Domain Names are only a part. For a complex dispute based on a distribution agreement that lasted several years, it seems more appropriate that the parties address the regular courts or arbitral tribunals.**

In view of the above, the third-party decider holds that the Respondent has rights and legitimate interests in the disputed Domain Names. As the requirements of article 10, b, 1 of the Policy are cumulative, this finding in itself makes any discussion of bad faith on the part of the Licensee obsolete.

3. On 15 September 2017, the Complainant lodged an appeal against the decision of 1 September 2017.

On 2 October 2017, the Respondent submitted a response to the Complainant's request for appeal.

On 9 October 2017, CEPANI appointed a panel of three Third-Party Deciders forming the Appeal Committee. By e-mail and registered letter, CEPANI informed the Complainant and the Respondent of the appointment of the Appeal Committee.

By letter dated 9 October 2017, CEPANI transferred the entire file concerning the Complaint in appeal to the three Third-Party Deciders, including the Complainant's Request for Appeal and its 19 annexes, and the Respondent's Response to Request for Appeal and its 26 annexes.

On 13 October 2017, the Complainant requested to be granted an extension until October 30, 2017 to reply to the Response filed by the Respondent.

Given that the Complainant did not communicate any additional document with such request and did not provide any justifications except a general statement that the defendant's reply would "contain incorrect representations of circumstances that are relevant in assessing the case", the Panel dismissed such request.

4. Factual information

4. The Panel refers to the Decision of the first Third-Party Decider of 01 September 2017 which adequately summarizes the factual background of the case.

5. Position of the parties

5.1. Position of the Complainant

5. The Panel refers to the Request for Appeal submitted by the Complainant on 15 September 2017.

5.2. Position of the Respondent

6. The Panel refers to the Response to Request for Appeal submitted by the Respondent on 2 October 2017.

6. Discussion and findings

7. Pursuant to Art.18 and 16.1 of the Rules, the Appeal Committee shall rule on domain name disputes with due regard for the Policy and the Rules.

8. As regards the respect of the Rules, Respondent raises the following argument:

“Before discussing the merits of the case, we note that the Complainant did not respect the "Rules for domain name dispute resolution in force as from January 2013" (hereinafter: the "Rules"), as published on the CEPANI website.

Article 18.3 of the Rules prescribes that a request for appeal must (amongst others) give a motivation for appeal, which cannot exceed 5000 words. This rule is confirmed in the template of the request for appeal (as mentioned in Schedule VI of the Rules). If the request for appeal is not filed in accordance with article 18.1 of the Rules, it is not valid.

In this case, Complainant's Request for appeal contains 27 pages, covering approximately 10.000 words and therefore substantially exceeds the imposed maximum number of words. Consequently, the Request for appeal should be declared invalid.”

9. Article 18.3 of the English version of the Rules (available on the CEPANI's website) reads as follows:

“18.3 The request for appeal contains the identity of the parties, the number of the decision against which the appeal is made, the identity of the third party decider and a description of the means invoked.”

10. Article 18.3 of the French version of the Rules (available on the CEPANI's website) reads as follows:

18.3. La requête d'appel contient l'identité des parties, le numéro de la décision contre laquelle l'appel est introduit et l'identité du Tiers Décideur, une description des moyens invoqués pour l'appel. Cette description ne peut dépasser 5.000 mots.

11. Article 18.3 of the Dutch version of the Rules (available on the CEPANI's website) reads as follows:

“18.3. Het verzoek tot hoger beroep bevat naast de identiteit van de Partijen, het identificatienummer van de beslissing waartegen men beroep instelt en de identiteit van de Derde Beslisser, een gedetailleerde uiteenzetting van de

gronden en redenen van het beroep. Deze uiteenzetting mag niet meer dan 5.000 woorden bevatten.”

12. The 5.000 words limit rule appears in the Dutch and in the French versions, but does not appear in the English version.

The procedure has initially been launched with 3 different complaints, in French, Dutch and English (as the different domain names at stake were registered using the three languages). The Complainant has therefore accepted the rules in the three languages.

Furthermore, all the versions of the Request for Appeal template (including the English one), which are attached to the Rules, clearly mention the 5.000 words limit rule.

13. The Complainant has indeed not respected the 5.000 words limit, by filing a Request that makes more than twice the maximal word count (it is 10.756 words long).

The CEPANI's Rules for Domain Name Dispute Resolution do not provide any measure in such case, but such limit remains a rule, and for procedural fairness, such rule has to be respected and should be taken into account by the Panel.

The 5.000 words limit has also an important *rationale*, which can be found in the principles that underlie any ADR mechanism in place with regard to domain name dispute resolution, including the UDRP: the ADR procedure should permit the parties to resolve a dispute expeditiously and at a low cost.

This limit has therefore been adopted by the CEPANI to keep the costs (including the Complainant's costs!) low, and to allow an expeditious resolution of the case.

In the Final Report of the WIPO Internet Domain Name Process of April 30, 1999, the WIPO indeed confirmed what follows (in its recommendations concerning the adoption of the UDRP) (§150):

“Taking into account these perceived limitations of litigation and current dispute-resolution policies, as well as the comments expressed throughout the WIPO Process concerning the desirable features of the administrative procedure, the recommendations that follow in the remaining part of this Chapter concerning the administrative procedure have been based upon the following principles:

(i) The procedure should permit the parties to resolve a dispute expeditiously and at a low cost.

(ii) The procedure should allow all relevant rights and interests of the parties to be considered and ensure procedural fairness for all concerned parties.”

By filing a request for appeal that is more than twice the maximal length authorized by the Rules, the Complainant fails to respect the fundamental principles underlying the CEPANI's procedure.

It is the Panel's opinion that the complainant exceeded the limit to such an extent that such irregularity creates a situation that is unfair towards the Respondent, who is also entitled to an expeditious dispute resolution at a low cost.

14. In addition to this formal default, the Panel finds that the substantial conditions for imposing a transfer of the Domain Names are not met. The dispute arises in a very complex contractual framework.

Pursuant to Art. 10b(1) of the Policy, the Complainant must provide evidence of the following:

- *“the registrant’s domain name is identical or confusingly similar to a trademark, a trade name, a registered name or a company name, a geographical designation, a name of origin, a designation of source, a personal name or name of a geographical entity in which the complainant has rights; and*
- *the registrant has no rights or legitimate interests in the domain name; and*
- *the registrant’s domain name has been registered or is being used in bad faith”.*

The Panel shares the opinion of the first Third-Party Decider who came to the conclusion that, while the first condition of Art. 10b(1) was satisfied, the second condition was not met as the Respondent was found to have at least some legitimate interest. The Respondent has indeed been using the Domain Names for many years, and one domain name for almost 17 years, and except for the domain name “lavazzacoffee.be”, which does not lead to a website, the Domain Names are all pointing to a website where only LAVAZZA products are being offered for sale.

Moreover, the use of the Domain Names by the Respondent is to date still covered under the contract concluded with the Complainant. The Complainant itself admits the following in its Request: *“Without prejudice to the foregoing, the termination of the commercial relationship between Complainant and Respondent, which will take effect as of December 31, 2017, Respondent will no longer be a LAVAZZA non-exclusive distributor”.*

In fact, one of the key elements of the dispute between Complainant and Respondent is the existence of an *“exclusivity”* and the conditions under which the distribution activity takes place, which is a question that extends way beyond the competence of the Panel in the present Domain Name Dispute Resolution process.

In this regard, the Panel shares the opinion of the first Third-Party Decider when he reminds the Complainant that *“As was already decided in the CEPANI case no. 44054, gallup-europe.be, it should be stressed that within the limited framework of the Rules and the Policy, it is not the task of the third-party decider to settle a complex dispute of which the Domain Names are only a part. For a complex dispute based on a distribution agreement that lasted several years, it seems more appropriate that the parties address the regular courts or arbitral tribunals”.*

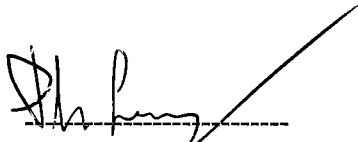
This complex contractual framework is certainly what explains the irregular length of the Complainant’s request as well.

7. Decision

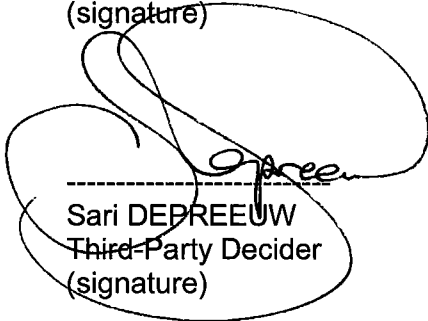
15. Consequently, the Appeal Committee hereby:

- rejects the appeal in its entirety,
- confirms the decision of 1 September 2017.

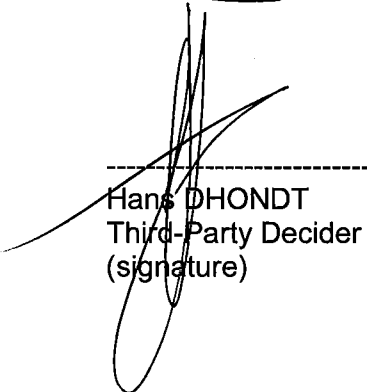
Brussels, 6 November 2017.



Philippe LAURENT
Third-Party Decider
(signature)



Sari DEPREEUW
Third-Party Decider
(signature)



Hans DHONDT
Third-Party Decider
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