

Domains & Domain Names

Contributing editor
Flip Petillion



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GETTING THE
DEAL THROUGH

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Domains & Domain Names 2017

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Registration and use of domain names at ccTLD registry

1 Which entity is responsible for registration of domain names in the country code top-level domain (ccTLD)?

The entity responsible for registration of domain names in the .fr national extension is the French Association for a Cooperative Domain Name System (AFNIC). It is a non-profit association that was created in 1997 to administer the French TLDs.

AFNIC was appointed as the French registry by an order of 19 February 2010, pursuant to the law governing domain names in France.

The law provides that the French registry must be domiciled in the European Union and is appointed by the Ministry for Digital Economy pursuant to a public tender process, for a five-year period that can be renewed once (article 45 of the Postal and Electronic Communication Code, introduced by Law No. 2011-302 of 22 March 2011).

The Council of State, which is the highest administrative court in France, ruled that the French registry has a 'mission of public policy' (CE, subsections 10 and 9, 10 June 2013, *MA v AFNIC*).

The French registry is in charge of the .fr TLD and those of French overseas territories: .re (Reunion Island), .pm (St Pierre and Miquelon), .tf (French Southern and Antarctic Territories), .wf (Wallis and Futuna) and .yt (Mayotte). French law applies to all these extensions.

In this chapter the focus is on .fr, the national TLD for France.

2 How are domain names registered?

Registrars

The registration process is exclusively performed through registrars, which are service providers, including but not limited to internet service providers. They are accredited by AFNIC to register domain names under .fr. A web agency can be accredited as a registrar for one of the French ccTLDs. An accredited registrar is a mandatory intermediary between AFNIC and the registrant. There are about 400 accredited registrars.

The list of all accredited registrars is available at www.afnic.fr/en/your-domain-name/how-to-choose-and-create-your-domain-name/registrars-directory/.

The characters

Internationalised domain names have been permitted in a .fr domain name since July 2011.

The following characters are permitted: a, à, á, â, ã, ä, å, æ, b, c, ç, d, e, è, é, ê, ë, f, g, h, i, î, ï, j, k, l, m, n, ñ, o, ó, ô, õ, ö, œ, p, q, r, s, t, u, û, ü, ù, v, w, x, y, ý, ÿ, z, ß, 0, 1, 2, 3, 4, 5, 6, 7, 8, 9 and - (hyphen or minus sign).

The maximum number of characters allowed is 63. Since 17 March 2015, AFNIC has allowed the registration of domain names under the .fr TLD that consist of only one or two characters.

AFNIC has created and maintains a list of domains whose registration is subject to prior review. These are geographical terms, generic terms related to crimes and offences (*bombe, deportation, profanation, assassinat, crime*), beliefs (*boudha, juif, tantrique, pasteur, secte, culte*), health (*acid, coke, marijuana*), international organisations (*asean, bird, bit, casque-bleu, casque-bleus, wipo, unesco*), internet organisations (*apnic, arin, centr, iana, icann*), regulated businesses (*architecte, artisan, chirurgicalien*), the state (*academie, impôt, drapeau, sénat*), organisations

(*syndicat*), values (*bordel, racism*), gTLDs (*arpa, biz, cctld*) and the names of French local authorities.

Eligibility

There are eligibility rules for .fr (article L.45-3 of the Postal and Electronic Communication Code).

Any third party can request verification from AFNIC if it has difficulties in contacting the holder of a domain name (through its postal address, telephone number or email) or to contest its eligibility. A template is available at www.afnic.fr/medias/documents/afnic-formulaire-verification-en.pdf.

This procedure is intended to regulate the eligibility and contactability of registrants. It can also be started by AFNIC or by a registrar (article 3.2 of the registration rules for French extensions).

After an unsuccessful verification procedure, the domain name can be deleted.

Individuals

Since 2006, individuals domiciled within the European Union may register a .fr domain name.

Domain names registered in the name of individuals are by default anonymously registered, for the purposes of personal data protection. In the case of a conflict with a third party that can oppose a domain name on the basis of a prior right, the rights holder can request the disclosure of the registrant's name by using a template that is available on the registry's website (see questions 7 and 8).

Legal entity: location in Europe

Any legal entity with its headquarters or principal place of business within the territory of one of the member states of the European Union or in Iceland, Liechtenstein, Norway or Switzerland can register a .fr domain name.

Validity rules

There are validity rules (articles L.45-2 and R.20-44-46 of the Postal and Electronic Communication Code).

According to these rules, a domain name must comply with public policy and morality and must not infringe rights recognised by the law. It must not infringe intellectual property rights or personality rights, unless the registrant justifies that he or she has a legitimate interest and is acting in good faith. The domain name must not be identical or similar to the name of the French Republic, or to the name of a territorial collectivity, which are the country subdivisions in France, or a group thereof, or of an institution or national or local public service, unless the registrant justifies that he or she has a legitimate interest and is acting in good faith.

The French registry must allow the registrant to respond to any request to cancel or transfer his or her domain name; and if necessary, to resolve the situation.

3 For how long is registration effective?

A domain name is registered for an automatically renewable period of 12 months.

The WHOIS database is the property of the French Republic.

4 What is the cost of registration?

A .fr domain name is sold for a few euros by the French registry to the registrars, which are free to establish the resale price to the public.

The registration cost of a .fr domain name consisting of one or two characters is €200.

5 Are registered domain names transferable? If so, how?

Can the use of a domain name be licensed?

Yes, domain names are transferable and the transfer process is conducted by email.

Only a registrar can be in charge of the process of moving a domain name from one registrar to another and of the process of modifying the name of the registrant.

The registrant who wants to transfer its domain name to a new registrar needs the transfer code and the new registrant must be eligible to register a .fr domain name.

The registrant can change registrar. When the new registrant wants to change registrar, the process has to be started by the new registrar (the incoming registrar) and the former (outgoing) registrar has to be informed.

AFNIC will send two notification emails, one to the current registrant and one to the future or new registrant. Each has 15 days to confirm that he or she accepts the transfer by clicking on the link provided in the email. If the registrants cannot proceed by email, a paper procedure is available, but it is not common to use this.

In the absence of any reply within 15 days, the transfer operation is cancelled and the name of the registrant is not modified.

Since 24 February 2015, AFNIC has offered its new .fr lock service, for locking the domain name at the registry level. The goal is to secure the registration and to prevent hacking risks. Operations on locked domain names follow a specific procedure including a process of authentication.

The use of a domain name can be licensed. There is no legal provision to prohibit or prevent this. It may happen more often in the future.

6 What are the differences, if any, with registration in the ccTLD as compared with a generic top-level domain (gTLD)?

French law regulates .fr domain names and the TLDs of French overseas territories. There are eligibility and validity rules (articles L.45 to L.45.8 and R.20-44-38 to R.20-44-47 of the Postal and Electronic Communication Code, Law No. 2011-302 of 22 March 2011 and Decree No. 2011-926 of 1 August 2011, modified by Order No. 2014-329 of 12 March 2014 and by Decree No. 2012-951 of 1 August 2012).

The .fr domain names cannot be registered directly with the registry.

There is a specific procedure, Syreli, administered by the French registry, for deciding on the validity of .fr domain names. Another procedure, PARL Expert, an alternative procedure for domain-name disputes, was introduced on 14 March 2016 to provide an ADR procedure administered by WIPO.

The state is represented on AFNIC's board of directors, which has 10 members, by members of the ministries for telecommunications, for industry and for research.

7 Can the registrant use a privacy service to hide its contact information?

As explained in question 2, domain names registered in the name of individuals are by default anonymously registered, for the purposes of personal data protection, in compliance with the requirement of the French data protection authority, CNIL (article 8.4, paragraph 166 of the AFNIC Naming Charter dated 22 March 2016). The details of the administrative contact must not be disclosed either.

The 'restricted information' option does not apply to the technical contact.

Pre-litigation actions

8 Under what circumstances will a registrant's privacy-protected contact information be disclosed? What processes are available to lift a registrant's privacy shield?

In the case of a dispute with a third party wishing to oppose a domain name on the basis of a prior right, the rights holder can request the

disclosure of the registrant's name by using a template that is available on the registry's website (article 8.4, paragraph 171 of the AFNIC Naming Charter dated 22 March 2016).

The claimed prior right can be:

- a trademark already registered and protected in France;
- other distinctive signs already registered (name of the company, signboard, trade name protected in France, domain names);
- an existing title protected by French intellectual property rights (copyrights); or
- a surname or a pseudonym.

The French registry will examine the application on the basis of the likelihood of confusion between the domain name at issue and the disputed prior right, without analysing the content of the websites.

The application has to contain as much detail as possible, and corresponding certifications and any documents justifying intellectual property rights must be enclosed (such as a company identification certificate delivered by a French chamber of commerce (K-bis), extract from the INSEE database (the French companies registry) or an association identification certificate). AFNIC will respond to the application on the basis of the documents provided and will not carry out further investigations. See the personal data disclosure form online at www.afnic.fr.

In case of an anonymous WHOIS result, the French registry offers the use of its contact interface to communicate with the domain name's administrative contact.

9 Are third parties (such as trademark holders) notified of a domain name registration or attempt to register a domain name? If so, how? If not, how can third parties receive notice?

Third parties are not notified of a domain name registration or attempt to register a domain name. There is no opposition procedure.

10 Is there a need to notify the domain name registrant before launching a complaint or initiating court proceedings?

Sending a cease-and-desist letter to notify the domain name registrant is not required before launching a Syreli procedure or initiating court proceedings.

However, notifying the registrant provides an opportunity to recover the domain name without having to start proceedings.

It may also lead to 'cyberflight', meaning changing ownership of a domain name with intent to escape a dispute. The consequence can be that the new registrant is no longer domiciled in France. Therefore the strategy for recovering the domain name may have to be different. A Syreli procedure is much easier than court proceedings when the registrant is not domiciled in France.

A distinction must be made between Syreli and court proceedings. Syreli is not as formal as court proceedings and, like in UDRP procedures, notifying the registrant is not required, and very often there is no such notification.

The Syreli and PARL Expert procedures are meant to be fast and imply no hearings.

In France, court proceedings are financed by the state and the official fees are very low. French courts are reluctant to judge cases that could have been resolved with a simple notification sent to the registrant.

There is another reason for notifying the registrant before launching court proceedings: when the cease-and-desist letter refers to article 1153 et seq of the French Civil Code, the compensation for any damage suffered shall generate interest at the legal rate of interest running from the day of the notification.

Transfer or cancellation

11 What is the typical format for a cancellation or transfer action in court litigation (domains registered in either a ccTLD or a gTLD) and through ADR (ccTLD only)?

The typical format for a cancellation or transfer action in court litigation is to file an action on the merits based on prior rights. Under French law, intellectual property rights may be protected, mainly trademarks or other rights, such as rights in a company name, trade name or sign that are known throughout the national territory. A cancellation or transfer action can also be based on a violation of the French law governing .fr and overseas territories' domain names.

French courts are competent if it can be shown that the website under the domain name in question, which can be any ccTLD or gTLD, targets internet users who are domiciled in France.

There is no discovery. Pursuant to the notification of the writ of summons, there are procedural hearings that are meant to organise and follow up the communication of exhibits and documents between the parties. Once the judge considers that all parties have had enough time to explain their position, the case can be pleaded.

Intellectual property cases are judged in the civil courts. Parties must be represented by an attorney-at-law and it is a written procedure.

When no trademark or copyright is disputed, the case can be judged either by a civil court or by a commercial court, depending on the identity of the parties (merchant or non-merchant). Parties are not required to be represented by an attorney-at-law in the commercial courts.

There are two available online alternative dispute resolution procedures that enable a complainant to request the transfer or the cancellation of a disputed domain name. The Syreli procedure was launched in November 2011. The PARL Expert procedure was approved by the Minister of Economy and Electronic Communications on 14 March 2016 and has been available since 4 July 2016. The Syreli procedure is the AFNIC dispute resolution system. The decision is rendered by a panel of three members from AFNIC.

Complaints under the Syreli procedure are based on article L.45-2 of the Postal and Electronic Communication Code, which provides validity rules (see question 2). The complainant has to first open an account on the Syreli platform to send the complaint and the attached evidence and to pay a charge of €250 plus VAT: www.syreli.fr/compte/creer. The respondent does the same if it wishes to respond. It does not have to pay any charges. Each party can either file the complaint or respond in its own name or be represented by a third party. Unless this representative is an attorney-at-law, he or she must be duly authorised and must produce a signed power of attorney.

The decision is rendered within two months by a panel of three members composed of the AFNIC director and two other members designated by the director.

The PARL Expert procedure is managed by the Arbitration and Mediation Center, together with a rapporteur from AFNIC. The difference from the Syreli procedure is that the case is administratively managed jointly by AFNIC and the Arbitration and Mediation Center and that a single expert is designated to decide the case. The designated centre is the WIPO Arbitration and Mediation Center. The single expert is chosen from a list of accredited experts, which is available online on the AFNIC website and on the Arbitration and Mediation Center website. The procedure is opened on receipt of the complete claim submitted to AFNIC in electronic format. The deadline for deciding on the case is two months as of receipt of the commencement of the procedure. The procedure starts as soon as the Arbitration and Mediation Center informs AFNIC that the file is complete. The registrant/defendant has 21 calendar days from the date of the complaint's notification to respond. A single expert is appointed by the Arbitration and Mediation Center within seven days from the 21 calendar days' deadline. The expert has to decide on the basis of the criteria as defined by French law on domain names, which are reproduced in the rules (article VI(b)) and which also apply to the Syreli procedure (see question 2). The expert has to render its decision within 12 calendar days as of the expiry of the deadline for the response. A list of panellists is available on the WIPO website at www.wipo.int/amc/en/domains/panel/panelists.jsp?code=frDRP.

Pursuant to article L.45-2 of the CPCE, a complainant must demonstrate that the disputed domain name:

- is likely to disrupt public order or violate principles of morality, or infringe any right protected by the French Constitution or by French law;
- is likely to infringe IP rights or legal personality rights, unless the domain name holder has a legitimate interest in the domain name and is acting in good faith; or
- is identical or similar to the name of the French Republic, of a local authority or group of local authorities, of a local or national institution or public service, unless the domain name holder has a legitimate interest in the domain name and is acting in good faith.

One decision has been made under this procedure: on 20 October 2016 the domain name *osrix.fr* was transferred to the Swiss company Pixmeo, the complainant (*osrix.fr*, Case 2016-0061).

The Syreli and the PARL Expert procedures have common rules. The language of the proceedings is French. The complaint has to be filed in French, using a template available at www.parl-expert.fr/fr/.

If the decision is to reject the complaint, the complainant may file a new complaint based on new evidence.

The decision is notified to the parties electronically and by post. It must be implemented 15 calendar days from notification, provided none of the parties has started a court action. The disputed domain name must remain suspended until a final court decision is rendered or until the parties inform AFNIC that the dispute procedure is no longer justified. The parties have to request the implementation of the decision. If the decision is not implemented within 60 calendar days, AFNIC reserves the right to cancel the disputed domain name.

12 What are the pros and cons of litigation and ADR in domain name disputes? What are the pros and cons of choosing a local forum to litigate a gTLD dispute compared with the ICANN ADR format for the gTLD?

The advantages of choosing ADR are:

- speed of the procedure;
- automatic suspension of the domain name at issue;
- it can be adapted to international cases;
- easy commencement of proceedings;
- when a trademark is disputed, there is no need to have a valid trademark in a specific country;
- ease of the implementation when the transfer or cancellation is ordered; and
- it is cheaper than a court action.

The disadvantages of choosing ADR are:

- no compensatory damages;
- no prohibition on use of the name at issue; and
- the debate is limited to the question of the defendant's legitimate rights or interests and bad faith.

After the ADR procedure is concluded, the winning party can start a procedure before a court of competent jurisdiction to claim compensatory damages and prohibition on use of the name at issue, subject to sanctions.

The advantages of choosing a local forum to litigate a gTLD dispute compared with the ICANN ADR format for the gTLD are as follows:

- the claim can include a request for compensation and prohibition on use of the disputed domain name, subject to sanctions;
- when the defendant is identified and domiciled in France, the implementation and enforcement of the decision will be easier;
- it enables the discussion of issues other than the absence of the registrant's legitimate rights or interests and the registrant's bad faith; and
- it enables the suing of other parties in addition to the sole registrant.

The disadvantages of choosing a local forum to litigate a gTLD dispute are as follows:

- there is no automatic suspension of the domain name at issue;
- it is difficult to reach a registrant who is domiciled abroad and to serve a writ of summons;
- WHOIS is anonymous and there is no disclosure procedure, which prevents it from serving a writ of summons;
- when the registrant is not domiciled in France, it might be difficult to implement and enforce the decision abroad;
- it is preferable to limit the debate to the absence of the registrant's legitimate rights or interests and to the registrant's bad faith; and
- the court procedure might be longer and more expensive until a final decision is rendered.

13 What avenues of appeal are available?

There is no appeal procedure to contest a Syreli decision or a PARL Expert decision.

Each party can prevent the implementation of a decision by starting a court action before a French court within a 15-day deadline as of the notification of the Syreli or PARL Expert decision to the parties.

The action has to be brought before a first-instance court.

14 Who is entitled to seek a remedy and under what conditions?

A civil action for trademark infringement is filed by the trademark owner. An exclusive licensee may bring an action, unless otherwise specified in his or her contract if, after formal notice, the rights holder does not defend his or her right.

Also, any party to a licence agreement is entitled to intervene in infringement proceedings brought by another party to obtain compensation for his or her own loss allegedly suffered (article L.714-7 of the Intellectual Property Code).

When the rights holder files a suit, the non-exclusive or exclusive licensee can join the action. An exclusive licensee has to produce a written agreement proving the exclusivity.

There is no requirement that a trademark licence be registered before the French trademark registry. The licence can be proven by any means.

15 Who may act as defendant in an action to cancel or transfer a gTLD in local courts?

The defendant is the registrant.

The registrar can be party to a court procedure, but it is not necessary unless it can be proved that it has some liability in the case.

The registrar is not considered by the French courts as a service provider. Therefore it does not benefit from the exemption of liability provided by the French law implementing Directive 2000/31/EC on Electronic Commerce (Law No. 2004-575 of 21 June 2004). It has been ruled that a registrar has a mere technical role and is not liable on the basis of trademark infringement, because it does not make any use of the disputed trademark in the course of trade (Paris Court of Appeal, pôle 5, 2e ch, 19 October 2012, No. 09/20514, *SA Air France, SCA Compagnie Générale des Établissements Michelin, SA Compagnie Gervais Danone, SA France Télévisions, SNC Lancôme Parfums et Beauté & Cie, SA L'Oréal, SAS Renault, SA Voyageurs du Monde v AFNIC, SA EuroDNS*).

It is not necessary to sue the registry.

Chapter 7 of the AFNIC Naming Charter provides that:

As part of the resolution of disputes relating to domain names, AFNIC may only intervene pursuant to a decision handed down after legal proceedings or as part of an Alternative Dispute Resolution procedure managed by AFNIC.

It further provides that (article 7.1):

AFNIC is in no way party to judicial proceedings relating to domain names for which it is responsible.

AFNIC does not have the authority to take precautionary measures, since they can only be implemented further to a court order taken to meet the requirements of this article.

It is therefore the sole responsibility of the third parties concerned to take all the appropriate measures to stop any violation they claim to infringe their rights.

Since AFNIC is required to implement a court order taken as a result of legal proceedings, it is useless for it to intervene or to ask it to intervene in such proceedings.

This being said, AFNIC reserves the right to initiate a request for abuse of process as and when required, and to seek reimbursement of the expenses incurred by same.

The AFNIC Naming Charter requires that any decision rendered by a court requesting AFNIC to implement it must first be notified to AFNIC by a bailiff.

16 What is the burden of proof to establish infringement and obtain a remedy?

The burden of proof falls on the rights holder. It has to demonstrate that there are phonetic, visual or conceptual similarities between its sign and the respondent's domain name, to prove that it is likely to create a risk of confusion in the public mind.

Infringement can be proven by any means. Good faith is not taken into account.

17 What remedies are available to a successful party in an infringement action?

The successful party can obtain:

- either the cancellation or the transfer of the domain name at issue; in certain cases, for example when the domain name in dispute is not a .fr domain name and when it is used in France and in other countries where the complainant has no rights, the remedy may be a prohibition on using that domain name in France;
- the payment of damages, including publication of the decision in reviews or on a website during a certain period of time, the costs involved being borne by the losing party;
- prohibition of use of the name at issue, for whatever purpose and in any way and for any means; if the prior right is a Community trademark, the prohibition on use can cover the territory of all EU member states; and
- compensation for the fees incurred, with the payment of a lump sum of €1,000 to €5,000.

18 Is injunctive relief available, preliminarily or permanently, and in what circumstances and under what conditions?

A preliminary injunction can be requested in urgent cases to obtain suspension of the domain name at issue, the prohibition of any use thereof or the award of an interim payment as compensation for damage suffered. The interim decision has to be executed, even in the case of an appeal.

In the case of a trademark infringement, the court provides the possibility to start summary proceedings to request measures subject to sanctions in order to stop the alleged imminent infringement. In certain circumstances, such measures may even be ordered on the sole request of the complainant who can start a non-adversarial proceeding (article L.716-6 of the Intellectual Property Code).

19 How is monetary relief calculated?

To calculate monetary relief, the judges take into consideration the economic damage, the non-economic damage and also, when a trademark is infringed, the loss in the infringed trademark's value.

Publication of the judgment is considered as complementary compensation for the damage suffered. Costs are paid by the losing party.

In trademark cases, the court may award compensation that is calculated on the basis of the loss suffered and of the benefit realised by the infringer. A lump sum can be awarded as global compensation (article L.716-14 of the Intellectual Property Code).

Statistics for 2015

Out of 56 decisions at first or second instance concerning domain names rendered and published in France in 2015, the judges awarded damages in 24 cases. Publication of the judgment in reviews or on a website was requested in 14 of the 56 cases and granted in two cases.

The monetary relief awarded was, for the majority, between €0 and €20,000. See below for the figures for 2014 and 2013.

2015 – amount of damages (published decisions on domain names)	3 summary procedures – provision on damages	14 decisions – TGI/T.com (first instance)	10 decisions – CA (second instance)
€0–5,000	1: €4,500 1: €3 876	1: €1 1: €800 1: €3,000 2: €5,000	2: €1 1: €4,000
€5,001–10,000	1: €9,000	1: €10,000 (T.com) 2: €10,000	1: €8,000 1: €10,000
€10,001–20,000	0	1: €13,000 1: €15,000 1: €20,000	0
€20,001–55,000	0	1: €30,000 1: €38,000	1: €28,000 1: €30,000
€55,001–100,000	0	1: €80,000	0
€100,000–600,000	0	0	1: € 120, 000 1: €400,000 1: €600,000

Statistics for 2014

Out of 35 decisions concerning domain names rendered and published in France in 2014, the judges awarded damages in 21 cases. Publication of the judgment in reviews or on a website was requested in 12 of the 35 cases and granted in two cases.

The monetary relief awarded was, for the majority, between €0 and €5,000.

2014 – amount of damages (published decisions on domain names)	7 decisions – TGI (first instance)	14 decisions – CA (second instance)
€0–5,000	1: €1,500 1: €2,000 1: €4,000 2: €5,000	1: €1,000 1: €1,500 1: €2,000 1: €3,000
€5,001–10,000	2: €10,000	1: €8,000 2: €10,000
€10,001–20,000	0	1: €15,000 2: €20,000
€20,001–55,000	0	1: €30,000 1: €40,000 1: €45,000 1: €50,000
€55,001–100,000	0	0
€100,000–600,000	0	0

Statistics for 2013

Out of 58 decisions concerning domain names rendered and published in France in 2013, the judges awarded damages in 28 cases. Publication of the judgment in reviews or on a website was requested in 23 of the 58 cases and granted in seven cases.

The monetary relief awarded was, for the majority, between €10,000 and €20,000:

2013 – amount of damages (published decisions on domain names)	8 decisions – TGI (first instance)	20 decisions – CA (second instance)
€0–5,000	1: €2	1: €1 1: €1,500 1: €2,000 1: €2,500 2: €3,000 1: €4,000 1: €5,000
€5,001–10,000	1: €4,000 1: €10,000	2: €10,000
€10,001–20,000	1: €15,000 1: €20,000	2: €15,000 1: €18,000 3: €20,000
€20,001–55,000	1: €22,000 1: €40,000 1: €49,000	1: €23,000 1: €30,000
€55,001–100,000	0	1: €75,000 1: €80,000
€100,000–600,000	0	0

20 What criminal remedies exist, if any?

In the case of a trademark infringement, the suit can be filed before the criminal court.

Criminal remedies are identified in the Intellectual Property Code under articles L.716-9 to L.716-13. Article L.716-9 provides that:

Any person, who, for the purpose of selling, supplying, offering for sale or lending goods under an infringing mark, (a) imports, under any customs regime, exports, re-exports or transships goods presented under an infringing mark; (b) reproduces industrially goods presented under an infringing mark; (c) gives instructions or orders to commit the acts provided for at (a) and (b) shall be liable to four years' imprisonment and a fine of €400,000.

Where the offences provided for under this article have been committed by an organised criminal group, the penalties will be increased to five years' imprisonment and a fine of €500,000.

Article L.716-10 states that a person who does any of the following shall be liable to four years' imprisonment and a fine of €400,000:

(a) holds without legitimate reason, imports under all customs procedures or exports goods presented under an infringing mark; (b) offers for sale or sells goods presented under an infringing mark; (c) reproduces, imitates, uses, affixes, removes, modifies a mark, a collective mark or a collective mark of certification in violation of the rights conferred by its registration and of prohibitions which rise from this; (d) delivers knowingly a product or provides a service other than that which is required of him under a registered mark shall be liable to three years' imprisonment and a fine of €300,000. The infringement, under the conditions provided for at (d), shall not be considered constituted if a pharmacist exercises the faculty of substitution provided for under Article L.5125-23 of the Public Health Code.

Where the offences provided for at (a) to (b) have been committed by an organised criminal group, the penalties will be five years' imprisonment and a fine of €500,000.

The criminal or civil judge can order the total or partial closing of the enterprise (article L.716-11-1 of the Intellectual Property Code).

Legal entities may be declared criminally liable (article L.716-11-2 of the Intellectual Property Code).

21 Is there a time frame within which an action must be initiated?**Trademark infringement**

An action for trademark infringement shall be barred after five years from when the infringement ceased (article L.716-5 of the Intellectual Property Code).

Trademark cancellation action

The action will be declared inadmissible by the court if the trademark owner has tolerated the use of the mark for five years, unless the applicant has acted in bad faith (article L.714-3 of the Intellectual Property Code).

Civil liability

The time frame is five years as of the day when the rights holder knew or should have been aware of the facts giving rise to the litigation (article 2,224 of the French Civil Code).

22 Can a registrant's rights in a domain name expire because of non-use. Can a registrant be estopped from bringing an infringement action? In what circumstances?

A registrant's rights in a domain name cannot expire because of non-use. Nevertheless, a registrant who does not use its domain name is not able to dispute any right to a third party.

Using a domain name is a condition to be able to further request the protection of a 'distinctive sign'.

A decision ruling that an active and previously existing domain name can prevail over a trademark was rendered by the court of first instance in *Le Mans* in 1998 (TGI Le Mans, 1re ch, 29 June 1999, RG No. 9802878, *Microcaz v Océanet* and *SFDI*, JurisData No. 1999-133025).

The rulings of the court provide that a trademark is not valid if it infringes, 'notably', a list of rights such as a prior registered trademark, a trade name that is known in the entire national territory or a copyright (article L.711-4 of the Intellectual Property Code). It has been ruled that, since this list of prior rights is not limited, a new right, such as a right to a domain name, which, like the right to a trade name, is acquired by use, can be regarded as a distinctive sign and protected as such.

In the *Sunshine* case, the Court of Cassation ruled that an action requesting the transfer of a domain name has to be an action on the merits (Cass com, No. 08-12,904, 9 June 2009, *Mr André D v Sunshine*, AFNIC, OVH, JurisData No. 2009-048529).

23 What is the typical time frame for an infringement action at first instance and on appeal?

The typical time frame for an infringement action at first instance is one year and at second instance (appeal) a further year.

24 Is a case law overview available on procedural or substantive issues? Does the case law have a precedential value?

An annual case law overview of French court decisions has been available since 2009. The first case law review commented on the published decisions that had been rendered in 2008. Since 2008, between 37 and 88 have been published each year: 57 in 2008, 62 in 2009, 62 in 2010, 88 in 2011, 53 in 2012, 67 in 2013, 37 in 2014 and 59 in 2015.

All Syreli and PARL Expert decisions are available on the AFNIC website at www.syreli.fr/decisions.

Case law has no precedential value. It is meant to be used to know how to apply and interpret the law.

25 Can parties choose a panellist in an ADR procedure involving a ccTLD? Can they oppose an appointment?

The Syreli procedure does not provide for the designation of a panellist. However, the PARL Expert procedure does allow the choice of panellist (see question 11). A list of panellists is available on the WIPO website at www.wipo.int/amc/en/domains/panel/panelists.jsp?code=frDRP.

The panellist drafts a decision explaining the case and its position, while the final decision is issued by AFNIC, based on the panellist's submissions. The PARL Expert procedure has been available since 4 July 2016.

26 What is the typical range of costs associated with an infringement action, including pre-litigation procedures, trial or ADR, and appeal? Can these costs be recovered?

The fees payable to AFNIC for a Syreli procedure are €250 (plus VAT).

In the first- and second-instance courts, the costs are a few hundred euros. Fees depend on the difficulty of the case and on the duration of the procedure. There is no official mandatory fee schedule.

In relation to the costs associated with an infringement action (including pre-litigation procedures, trial or ADR and appeal) there is a difference between the Syreli procedure and a court procedure, in that Syreli does not enable costs to be recovered. Pursuant to the Rules and Regulations of the Dispute Resolution System Syreli:

The Claimant shall bear the costs of the Procedure. AFNIC is not held to take action until it has received full payment of the fees as indicated above. No reimbursement shall be made by AFNIC of any payments received, regardless of the outcome of the Procedure. (Section I (vi))

The official fees to be paid to start a PARL Expert procedure are €1,500 (€500 for WIPO and €1,000 for the panellist). If the case is closed before the panellist has been designated, the panellist fees of €1,000 are reimbursed to the complainant. A complaint can be filed for only one domain name.

In a court procedure, the official fees are paid by the losing party, unless the judge decides that they should be paid totally or partially by another party (Civil Procedure Code, article 696).

Each party's attorneys' fees are only partially reimbursed by the losing party. Each party requests reimbursement of its attorneys' fees and the judge decides what amount should be reimbursed. Pursuant to article 700 of the Civil Procedure Code:

The judge will take into consideration the rules of equity and the financial condition of the party ordered to pay. He may, even sua sponte, for reasons based on the same considerations, decide that there is no need for such order.



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