

Domains & Domain Names 2021

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Lexology Getting The Deal Through is delighted to publish the eighth edition of *Domains & Domain Names*, which is available in print and online at www.lexology.com/gtdt.

Lexology Getting The Deal Through provides international expert analysis in key areas of law, practice and regulation for corporate counsel, cross-border legal practitioners, and company directors and officers.

Throughout this edition, and following the unique Lexology Getting The Deal Through format, the same key questions are answered by leading practitioners in each of the jurisdictions featured. Our coverage this year includes new chapters on France and Germany.

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Every effort has been made to cover all matters of concern to readers. However, specific legal advice should always be sought from experienced local advisers.

Lexology Getting The Deal Through gratefully acknowledges the efforts of all the contributors to this volume, who were chosen for their recognised expertise. We also extend special thanks to the contributing editor, Flip Petillion of Petillion, for his continued assistance with this volume.



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France

Marie-Emmanuelle Haas

ME HAAS

REGISTRATION AND USE OF DOMAINS AT CCTLD REGISTRY

Registry

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

The entity responsible for the 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 French TLDs.

AFNIC was appointed as the French registry for five years by an order of 5 April 2017, under 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 under a public-tender process, for a five-year period that can be renewed once (article L45 of the Postal and Electronic Communication Code, modified by presidential Ordinance No. 2014-329 of 12 March 2014).

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.

Method

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, available on the AFNIC registrar's directory page.

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, í, j, k, l, m, n, ñ, o, ó, ô, õ, ö, ø, p, q, r, s, t, u, ù, ú, û, ü, 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, chirurgien), 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 L45-3 of the Postal and Electronic Communication Code), which provides:

Can request the registration of a domain name, in each of the top-level domains:

- *natural persons residing in the territory of the European Union; and*
- *legal entities having their registered office or principal place of business on the territory of one of the Member States of the European Union.*

Any third party can request free 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 and an online template to complete is available.

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, contained in the AFNIC Naming Charter).

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

Since 1 January 2021, the United Kingdom fully left the European Union (and more specifically, the EU Customs Union and the Common Market), which led to numerous consequences on the rules applicable to domain name holders residing in the United Kingdom (ie, England, Scotland, Wales and Northern Ireland).

To the letter of article 45-3 of the French Post and Electronic Communications Code, the Naming Charter (section 88 of article 5.1) provides the following eligibility rules:

The registration or renewal of a domain name can be requested by any natural person residing and any legal person having its registered office or main establishment:

- *in one of the EU member states; or*
- *in one of the following countries: Iceland, Liechtenstein, Norway or Switzerland.*

From now, the United Kingdom no longer meets the eligibility rules allowing UK residents to register a .fr TLD.

The Naming Charter (section 12 of article 1.3) provides a principle of non-retroactivity of the Naming Charter when they are modified. In other words, it means that the domain names registered before 1 January 2021 by a registrant residing in the United Kingdom may keep their domain names without having to change their address. Further, they may also renew the registration of their domain names in the future.

Concerning the transfer of a domain name to a new registrant, the new registrant must be eligible and, therefore, be resident in one of the 27 EU member states or in Iceland, Liechtenstein, Norway or Switzerland. A 'voluntary' transfer may be carried out at any time with the registrars concerned.

When the original holder no longer has the legal capacity to carry out a voluntary transfer (a deceased natural person or a company that no longer legally exists), AFNIC has set up a forced transfer procedure, called 'Recover'.

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 personal data protection. In the case of a conflict with a third party that can oppose a domain name based on a prior right, the rights holder can request the disclosure of the registrant's name by using a template available on the registry's website.

Legal entity: location in Europe

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

Validity rules

There are validity rules (articles L45-2 and R20-44-46 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 state, 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, resolve the situation.

Since 17 January 2020, Regulation (EU) No. 2017/2394 of 12 December 2017 on cooperation between national authorities responsible for the enforcement of consumer protection laws and repealing Regulation (EC) No. 2006/2004 came into force. It allows, under certain conditions, the French General Directorate for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF), to order a registry or registrar to delete or transfer a domain name without delay to the competent authority.

In France, these provisions came into force on 5 December 2020 under article 45-2 of the Post and Electronic Communications Code, which now includes the following additional provision:

In addition, the registry office shall immediately delete or transfer the domain name to the competent authority upon the order of the administrative authority in charge of competition and consumption in application of c of 2° of article L521-3-1 of the Consumer Code. Article L521-3-1 of the Consumer Code provides that:

When the authorised agents observe, with the powers provided for in this book, an infringement or a breach of the provisions mentioned in articles L511-5, L511-6 and L511-7 as well as the rules relating to the conformity and safety of products from an online interface and the author of the practice cannot be identified or has not complied with an injunction issued pursuant to articles L521-1 and L521-2, the administrative authority in charge of competition and consumer affairs may:

(...)

2° Where the observed offence is punishable by a sentence of at least two years of imprisonment and is of such a nature as to seriously affect the fairness of transactions or the interests of consumers:

(...)

c) Order registries or registrars to take a measure to block a domain name for a maximum of three months, renewable once, followed, if the observed infringement persists, by a measure to cancel or transfer the domain name to the competent authority. These measures shall be implemented within a time limit, set by the administrative authority, which may not be less than 48 hours. (...).

The Consumer Code empowers CCRF investigators to research and to register violations and breaches of legal provisions and define investigative powers.

That is why the domain name owner who justifies an infringement of a domain name may duly inform the DGCCRF and request it to order to transfer or cancel the contested domain name. Before ordering the transfer or cancellation of the disputed domain name, the DGCCRF may initially order blocking measures for three months, renewable once.

Such a request can also be filed by someone who suffers an infringement in relation to the use of the domain name.

Duration

3 | For how long is registration effective?

A domain name is registered for an automatically renewable period of 12 months. The registrant can choose to register its domain name for a longer period up to a maximum of 10 years (article 2.8 of the AFNIC Naming Charter, 7 April 2020).

The WHOIS database is the property of the French state.

Cost

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.

Transfer

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 must be started by the new registrar (the incoming registrar) and the former (outgoing) registrar must 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 is not commonly used.

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 may be licensed. There is no legal provision to prohibit or prevent this and it may happen more in the future.

ccTLD versus gTLD registration

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 L45 to L45.8 and R20-44-38 to R20-44-47 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 alternative dispute resolution procedure administered by the World Intellectual Property Organization.

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

Registrants' privacy

7 | Is the registrant's contact information freely available? Can the registrant use a privacy service to hide its contact information?

Domain names registered in the name of individuals are by default anonymously registered, for personal data protection, in compliance with the requirement of the French data protection authority, National Commission for Informatics and Liberties (CNIL) and of the General Data Protection Regulation (article 8.4, paragraph 167 to 169 of the AFNIC Naming Charter of 7 April 2020). The details of the administrative contact are not to be disclosed either. It can still be reached by email.

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

PRE-LITIGATION ACTIONS

Disclosure of registrants' private details

8 | If a registrant's contact information is hidden, under what circumstances will it 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 based on a prior right, the rights holder can request the disclosure of the registrant's name by using a template available on the

registry's website (article 8.4, paragraph 173 of the French Association for a Cooperative Domain Name System (AFNIC) Naming Charter of 7 April 2020).

The claimed prior right may be:

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

The French registry will examine the application based on the likelihood of confusion between the domain name at issue and the disputed prior right, without analysing the content of the websites. The examination of the content may depend on an application filed with a judge.

If AFNIC refuses to examine the application, the rights holder has to resort to the other procedures provided for in the AFNIC Naming Charter, which is to obtain an order on application to a judge or file a case with the authorised dispute resolution bodies. Upon receipt of the order, AFNIC will proceed to execute the order within two days.

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

In the 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.

AFNIC has set up a two-step procedure to deal with personal identity theft. First, one should request access to information in the WHOIS database, to get the list of domain names registered under identifiers (called NIC-HANDLE) using personal data from the applicant. An online template is available for completion.

Third-party notification

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.

Notice to the registrant

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 the ownership of a domain name with the 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 need 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, as in Uniform Domain Name Dispute Resolution Policy 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; namely, when the cease-and-desist letter refers to new article 1344-1 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.

Provisional measures

11 | What provisional measures are available to prevent a domain name being transferred or cancelled during proceedings?

Starting a Syreli procedure or an alternative dispute resolution expert procedure means that the disputed domain name shall be automatically suspended (article 6.2 of the AFNIC Naming Charter of 7 April 2020). A suspended domain name cannot be cancelled or transferred to a third party.

Provisional measures can be requested before the court in an *ex parte* procedure, to ask a domain name to be suspended, if the case is brought before a court and not before AFNIC.

12 | Can domain names be seized? If so, under what conditions?

Domain names can be seized, on the basis of article L142-1 of the French Commercial Code, as part of the business assets.

The seizure must be in written and the seizure agreement needs to be recorded before the tax administration.

TRANSFER OR CANCELLATION

Procedure

13 | 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, domain name or sign that are known throughout the national territory. A cancellation or transfer action may 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 country code top-level domain (TLD) or generic TLD, targets internet users who are domiciled in France.

There is no discovery. Under 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 is a written procedure.

If 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.

Syreli and PARL Expert are two online alternative dispute resolution (ADR) 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 French Association for a Cooperative Domain Name System (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 L45-2 of the Postal and Electronic Communication Code, which provides validity rules. The complainant must first open an account on the Syreli platform to send the complaint and the attached evidence and pay a charge of €250 plus value added tax. The respondent does the same if it wishes to respond, within a 21-day deadline. 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 Centre, 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 Centre and that a single expert is designated to decide the case. The designated centre is the World Intellectual Property Organization (WIPO) Arbitration and Mediation Centre. The single expert is chosen from a list of accredited experts, which is available online on the AFNIC and the Arbitration and Mediation Centre websites respectively. A proceeding fee of €1,500 must be paid (€1,000 for the expert and €500 for the Arbitration and Mediation Centre). 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 from receipt of the commencement of the procedure. The procedure starts as soon as the Arbitration and Mediation Centre informs AFNIC that the file is complete. The registrant or 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 Centre within seven days from the 21 calendar days deadline. The expert must decide based on the criteria as defined by French law on domain names, which are reproduced in the rules (article VI(b)) and also apply to the Syreli procedure. The expert must render his or her decision within 17 calendar days from the expiry of the deadline for the response. A list of panellists is available on the WIPO website.

Under article L45-2 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 intellectual property 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 state, 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.

To date, one decision has been made under this procedure. On 20 October 2016, the *osrix.fr* domain name was transferred to the Swiss complainant, Pixmeo (*osirix.fr*, Case 2016-0061). Seven decisions were rendered under the PARL Expert procedure in 2017, nine in 2018 and seven in 2019.

The Syreli and PARL Expert procedures have common rules. The language of the proceedings is French. The complaint must be filed in French, using a template available on the PARL Expert website.

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 begun 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 must 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.

Choosing a forum

14 | 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:

- the speed of the procedure;
- the automatic suspension of the domain name at issue;
- the adaptation to international cases;
- the ease of commencement proceedings;
- the non-requirement for a country specific trademark in a trademark dispute;
- the 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 the 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 may start a procedure before a court of competent jurisdiction to claim compensatory damages and prohibition on the 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 may include a request for compensation and prohibition on the 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;
- if 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 the registrant's bad faith; and
- the court procedure might be longer and more expensive until a final decision is rendered.

Appeal

15 | What avenues of appeal are available?

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

Either party may 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 must be brought before a first-instance court.

Who may claim

16 | 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 L716-4-2 of the Intellectual Property Code).

If the rights holder files a suit, the non-exclusive or exclusive licensee may join the action. An exclusive licensee must produce a written agreement proving the exclusivity.

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

Who acts as defendant

17 | 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 a 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.

Since AFNIC does not have the authority to take precautionary measures, 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.

Burden of proof

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

The burden of proof falls on the rights holder. It must 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's mind.

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

Remedies

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

The successful party may 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, the costs involved being borne by the losing party;
- prohibition of the 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.

Injunctive relief

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

A preliminary injunction may 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 must 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 to stop the alleged imminent infringement. In certain circumstances, such measures may even be ordered on the sole request of the complainant, who may start a non-adversarial proceeding (article L716-6 of the Intellectual Property Code).

Calculating damages

21 | 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 based on the loss suffered and of the benefit realised by the infringer. A lump sum may be awarded as global compensation (article L716-14 of the Intellectual Property Code).

Statistics for 2019

Out of 56 decisions at first or second instance concerning domain names rendered and published in France in 2019, the judges awarded damages in 31 cases.

Publication of a judgment in reviews or on a website was requested in 16 of the 56 cases and granted in three cases.

Provisional enforcement of a first-instance decision was requested in eight of the 11 cases and completely or partially granted in four cases.

Out of nine summary procedures among the 56 decisions, the provision on damages was ordered in one case.

The monetary relief awarded was, for the majority, between €10,001 and €20,000.

| 2019 – amount of damages (published decisions on domain names) | 1 summary procedures – provision on damages | 7 decisions – TGI (first instance) | 23 decisions – CA (second instance) |
|--|---|------------------------------------|---|
| €0–€5,000 | 0 | 2 : €2,000 2 : €3,000 | 1 : €1 1 : €1,000 |
| €5,001 –€10,000 | 1 : €10,000 | 0 | 1 : €6,767 1 : €7,000 1 : €9,000 5 : €10,000 |
| €10,001 –€20,000 | 0 | 2 : €20,000 | 2 : €11,000 1 : €11,200 2 : €12,000 1 : €15,000 1 : €17,000 1 : €18,000 1 : €20,000 |
| €20,001 –€55,000 | 0 | 1 : €44,821 | 1 : €25,000 1 : €52,500 |
| €55,001 –€100,000 | 0 | 0 | 1 : €60,000 1 : €69,000 |
| €100,001 –€600,000 | 0 | 0 | 0 |

Criminal remedies

22 | What criminal remedies exist, if any?

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

Criminal remedies are identified in the Intellectual Property Code under articles L716-9 to L716-13. Article L716-9 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 seven years' imprisonment and a fine of €750,000.

Article L716-10 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 L5125-23 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 seven years' imprisonment and a fine of €750,000.

The criminal or civil judge can order the total or partial closing of the enterprise (article L716-11-1 of the Intellectual Property Code).

Legal entities may be declared criminally liable (article L716-11-2 of the Intellectual Property Code).

Limitation period

23 | 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 L716-5 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 L714-3 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 2224 of the French Civil Code).

Expiry of rights and estoppel

24 | 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 may 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).

This has become a legal provision introduced in 2019 on article L711-3 of the Intellectual Property Code.

In the *Sunshine* case, the Court of Cassation ruled that an action requesting the transfer of a domain name must 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).

Time frame for actions

25 | 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.

Case law

26 | 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, 59 in 2015, 70 in 2016, 92 in 2017, 77 in 2018 and 56 in 2019.

All Syreli decisions are available on its website, whereas the PARL Expert decisions are available on the WIPO website.

Syreli-decision trends are commented upon on the AFNIC website.

Case law has no precedential value; it is meant to be used to best understand how to apply and interpret the law.

Appointment of panellists

27 | 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. In the PARL Expert procedure, a panellist is designated. A list of panellists is available on the WIPO website.

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.

Costs

28 | 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 value added tax).

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

Regarding the costs associated with an infringement action (including pre-litigation procedures, trial or ADR and appeal) the Syreli procedure differs from that of a court procedure in that costs cannot be recovered. Under 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 start a PARL Expert procedure are €1,500 (€500 for WIPO and €1,000 for the panellist). If the case is closed before the panelist 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 (article 696 of the Civil Procedure Code).

Each party's attorney's fees are only partially reimbursed by the losing party. Each party requests reimbursement of its attorney's fees and the judge decides what amount should be reimbursed. Under 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.

UPDATE AND TRENDS

Hot topics

29 | Are there any emerging trends or hot topics regarding domains and domain names in your jurisdiction?

The new French Trademark Law (Loi PACTE Law No. 2019-486 of 22 May 2019, Ordinance No. 2019-1169 of 13 November 2019, Decree No. 2019-1316 of 9 December 2019) introduces the domain names in the list of prior rights that can prevail on a trademark.

Article L711-3 I 4° provides that trademarks:

Cannot be validly registered and, if registered, shall be liable to be declared invalid, a trademark infringing prior rights that have effect in France, such as:

4° A trade name, a commercial sign or a domain name, the territorial scope of which is not only local, if there exists a likelihood of confusion in the public's mind.

An opposition against a trademark application can now be based on a prior domain name (L711-4 4° of the Intellectual Property Code).

The French Law on Trademarks was modified and introduced domain names in the list of prior goods that may prevail on trademarks. It means that an opposition can be based on a domain name used in France.

Coronavirus

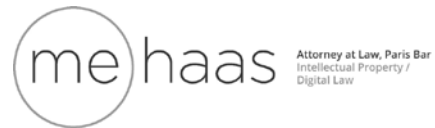
30 | 30 What emergency legislation, relief programmes and other initiatives specific to your practice area has your state implemented to address the pandemic? Have any existing government programmes, laws or regulations been amended to address these concerns? What best practices are advisable for clients?

Since 18 March 2020, and within the framework of the health state of emergency instituted by the emergency law of 23 March 2020 to tackle the covid-19 pandemic, AFNIC has established an automated monitoring based on keywords such as virus, coronavirus, covid etc.

Based on this automated monitoring, AFNIC sends the DGCCRF's National Investigation Department a daily monitoring report on the identified domain names.

Owing to the covid-19 crisis, AFNIC used an overriding measure asking registrars to take identified domain names (eg, ameli-covid19.fr and corona-gouv.fr) out of service.

In applying the new French provisions resulting from the regulation and, more specifically, article L521-3-1 of the Consumer Code, the DGCCRF's authority now extends over several missions.



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As part of its remit, such as the fight against unfair commercial practices or the fight against anti-competitive practices (eg, cartels and abuses of dominant position), the DGCCRF is also required to order measures to block and then delete or transfer domain names to the competent authority.

Given the urgency and exceptional circumstances of the covid-19 crisis, and to be able to quickly and effectively put an end to the serious disruption to the public order, the DGCCRF may address these blocking measures to AFNIC during the health state-of-emergency period.

Disputed domain names related to the use of terms such as covid-19, coronavirus, virus, etc, may, therefore, be subject to these blocking measures.

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